KBC Group
Quarterly Report
2Q2025

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KBC GROUP
2Q2025 report

Report

Consolidated financial statements

Additional information

Forward-looking statements

The expectations, forecasts and statements regarding future developments that are contained in this report are, of course, based on assumptions and are contingent on a number of factors that will come into play in the future. Consequently, the actual situation may turn out to be (substantially) different.

Management certification

'I Bartel Puelinckx, Chief Financial Officer of the KBC Group, certify on behalf of the Executive Committee of KBC Group NV that, to the best of my knowledge, the abbreviated financial statements included in the quarterly report are based on the relevant accounting standards and fairly present in all material respects the financial condition and results of KBC Group NV including its consolidated subsidiaries, and that the quarterly report provides a fair view of the main events, the main transactions with related parties in the period under review and their impact on the abbreviated financial statements, and an overview of the main risks and uncertainties for the remainder of the current year.'

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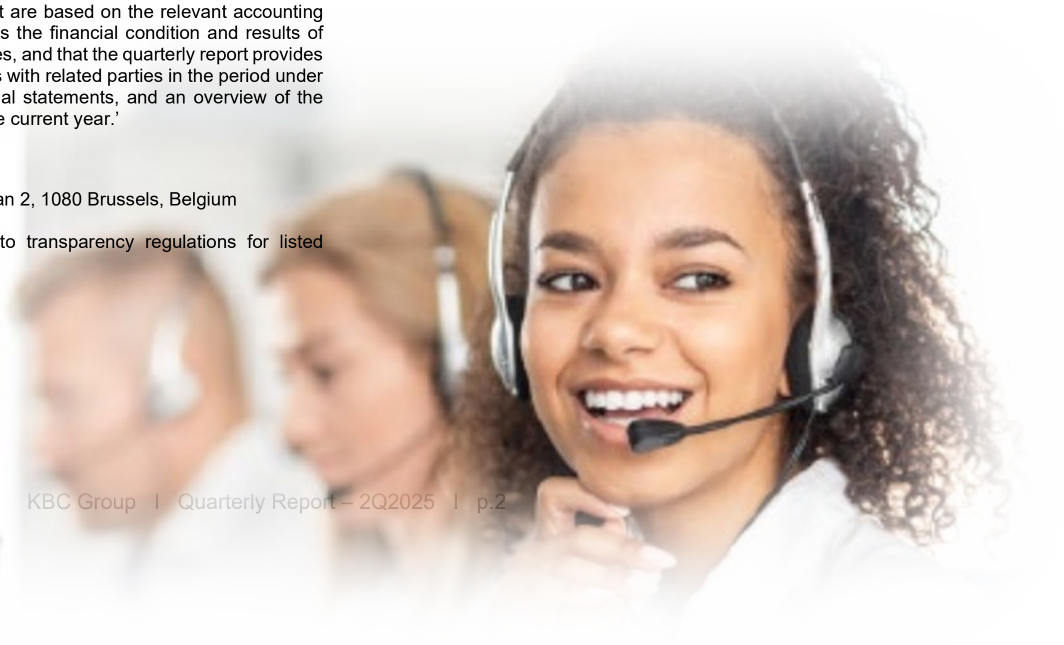


Second-quarter result of 1 018 million euros

KBC Group – overview (consolidated, IFRS)	2Q2025	1Q2025	2Q2024	1H2025	1H2024
Net result (in millions of EUR)	1 018	546	925	1 564	1 431
Basic earnings per share (in EUR)	2.50	1.32	2.25	3.82	3.44
Breakdown of the net result by business unit (in millions of EUR)					
Belgium	*607*	*281*	*519*	*888*	*761*
Czech Republic	*240*	*207*	*244*	*447*	*441*
International Markets	*237*	*135*	*224*	*372*	*370*
Group Centre	*-65*	*-77*	*-61*	*-143*	*-141*
Parent shareholders' equity per share (in EUR, end of period)	58.9	58.8	53.2	58.9	53.2

'We recorded an excellent net profit of 1 018 million euros in the second quarter of 2025. Compared to the result for the previous quarter, our total income benefited from several factors, including the sharp increase in net interest income, higher insurance income, better trading and fair value income and the seasonal peak in dividend income, while net fee and commission income – though still at a high level – was down somewhat quarter-on-quarter.
Our loan portfolio continued to expand, increasing by 2% quarter-on-quarter and by 7% year-on-year. Customer deposits – excluding volatile, low-margin short-term deposits at KBC Bank's foreign branches – were also up 2% quarter-on-quarter and 7% year-on-year.
Operating expenses were down significantly on their level in the previous quarter, due to the fact that the bulk of bank and insurance taxes for the full year were recorded – as usual – in the first quarter. Disregarding bank and insurance taxes, operating expenses were up by 2% quarter-on-quarter. Insurance service expenses after reinsurance were down, whereas loan loss impairment charges increased, though the credit cost ratio for the first six months of 2025 remained at a favourable level of 15 basis points, well below the through-the-cycle value of 25-30 basis points.
Consequently, when adding up the results for the first and second quarters of the year, our net profit for the first half of 2025 amounted to 1 564 million euros, up 9% on the year-earlier figure.

Our solvency position remained strong, with an unfloored fully loaded common equity ratio under Basel IV of 14.6% at the end of June 2025. Our liquidity position remained very solid too, as illustrated by an LCR of 157% and an NSFR of 135%. In line with our dividend policy, we will pay out an interim dividend of 1 euro per share in November 2025 as an advance on the total dividend for financial year 2025. Furthermore, we also decided to increase our guidance for net interest income for full-year 2025 to at least 5.85 billion euros, up from our initial guidance of 5.7 billion euros, as well as our guidance for 2025 total income growth to at least 7%, up from our initial guidance of 5.5%.

We continue to lead the way in digital innovation, with Kate playing a pivotal role in delivering smarter, faster, and more personal safe and trusted services to our customers. Today, 5.7 million customers use Kate, that's 19% more than one year ago. Operationally, Kate now autonomously resolves 7 out of 10 customer queries across our core markets. That's equivalent to the workload of over 300 full-time employees, allowing our teams to focus on more complex and valuable customer conversations.

Our ambition remains clear: to be the reference bank-insurer in all our home markets. We pursue that goal not only through a strong, customer-focused business model, but above all thanks to the trust placed in us by our customers, employees, shareholders and other stakeholders. That trust means a lot to us – and I want to thank you sincerely for it.'

Johan Thijs
Chief Executive Officer

The cornerstones of our strategy

- We place our customers at the centre of everything we do
- We look to offer our customers a unique bank-insurance experience
- We focus on our group's long-term development and aim to achieve sustainable and profitable growth
- We assume our role in society and local economies
- We build upon the PEARL+ values, while focusing on the joint development of solutions, initiatives and ideas within the group

Financial highlights in 2Q2025

Net interest income increased by 6% quarter-on-quarter and by 9% year-on-year. The net interest margin for the quarter under review amounted to 2.08%, up 2 basis points on the previous quarter and down 2 basis points year-on-year. Customer loan volumes increased by 2% quarter-on-quarter and by 7% year-on-year. Customer deposits, excluding volatile, low-margin short-term deposits at KBC Bank's foreign branches, also went up by 2% quarter-on-quarter and 7% year-on-year.

The insurance service result (insurance revenues before reinsurance - insurance service expenses before reinsurance + net result from reinsurance contracts held) amounted to 166 million euros (up on the 142 million euros and 113 million euros recorded in the previous and year-earlier quarters, respectively) and breaks down into 113 million euros for non-life insurance and 53 million euros for life insurance. The non-life insurance combined ratio for the first half of 2025 came to an excellent 85%, compared to 90% for full-year 2024. Sales of non-life insurance products increased by 8% year-on-year, while life insurance sales were down 35% on the very high level recorded in the previous quarter and up 6% on their level in the year-earlier quarter.

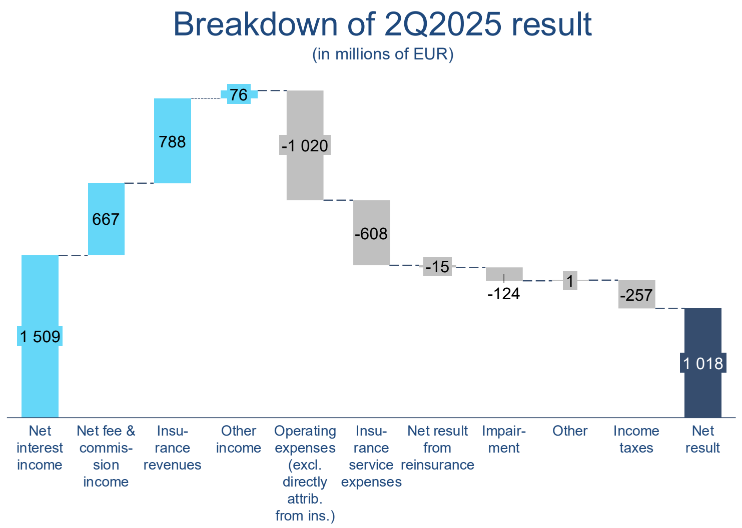
Net fee and commission income was down 3% on its high level in the previous quarter, due mainly to lower fees from asset management activities caused by a lower average asset base and some seasonality, combined with lower fees for banking services. Net fee and commission income was still up 7% year-on-year, thanks to higher fees for both asset management and banking services.

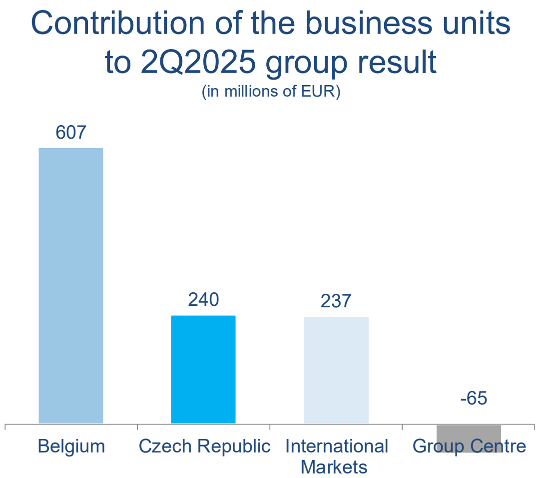
Trading & fair value income and insurance finance income and expense was up 11 million euros but down 37 million euros on the figures for the previous and year-earlier quarters, respectively. **Net other income** was above its normal run rate due mainly to higher-than-average gains on the sale of real estate. **Dividend income** was up on the previous quarter's level, since the bulk of dividend income is traditionally received in the second quarter.

Operating expenses excluding bank and insurance taxes were up 2% quarter-on-quarter and 5% year-on-year. Bank and insurance taxes were down significantly on the previous quarter as the first quarter of the year traditionally includes the bulk of bank and insurance taxes for the full year. The cost/income ratio for the first six months of 2025 came to 45%, compared to 47% for full-year 2024. In that calculation, certain non-operating items have been excluded and bank and insurance taxes spread evenly throughout the year. When excluding all bank and insurance taxes, the cost/income ratio for the first six months of 2025 amounted to 41%, compared to 43% for full-year 2024.

Loan loss impairment charges increased to 116 million euros, compared to 38 million euros in the previous quarter and 72 million euros in the year-earlier quarter. The quarter-on-quarter increase was due entirely to the change in the reserve for geopolitical and macroeconomic uncertainties (up 40 million euros in the quarter under review, as opposed to a release of 45 million euros in the previous quarter). The credit cost ratio for the first six months of 2025 amounted to 0.15%, compared to 0.10% for full-year 2024. Impairment on assets *other than loans* amounted to 8 million euros, compared to virtually zero in the previous quarter and 13 million euros in the second quarter of 2024.

Our **liquidity position** remained strong, with an LCR of 157% and NSFR of 135%. Our **capital base** remained robust, with an unfloored fully loaded common equity ratio of 14.6%*.





* For the fully loaded common equity ratio as of 2025, KBC focuses on the so-called unfloored fully loaded common equity ratio, which takes into account the total risk-weighted asset impact of Basel IV, excluding the output floor impact.

Overview of results and balance sheet

Consolidated income statement, IFRS, KBC Group (simplified; in millions of EUR)	2Q2025	1Q2025	4Q2024	3Q2024	2Q2024	1H2025	1H2024
Net interest income	1 509	1 421	1 433	1 394	1 379	2 930	2 748
Insurance revenues before reinsurance	788	773	764	740	726	1 561	1 441
Non-life	*667*	*648*	*640*	*631*	*613*	*1 316*	*1 211*
Life	*121*	*125*	*124*	*109*	*114*	*246*	*230*
Dividend income	33	9	13	11	26	42	33
Net result from financial instruments at fair value through P&L and Insurance finance income and expense	-34	-45	-74	-42	3	-79	-52
Net fee and commission income	667	690	700	641	623	1 357	1 237
Net other income	77	67	27	45	51	143	109
Total income	3 041	2 915	2 863	2 787	2 809	5 955	5 516
Operating expenses (excl. directly attributable from insurance)	-1 020	-1 498	-1 126	-1 058	-950	-2 518	-2 381
Total operating expenses excluding bank and insurance taxes	*-1 125*	*-1 106*	*-1 201*	*-1 135*	*-1 074*	*- 2 232*	*-2 137*
Total bank and insurance taxes	*-27*	*-539*	*-55*	*-47*	*-2*	*-566*	*-521*
Minus: operating expenses allocated to insurance service expenses	*132*	*148*	*131*	*124*	*126*	*280*	*276*
Insurance service expenses before reinsurance	-608	-622	-635	-688	-590	-1 230	-1 152
Of which Insurance commission paid	*-105*	*-102*	*-103*	*-99*	*-92*	*-206*	*-181*
Non-Life	*-541*	*-543*	*-561*	*-615*	*-514*	*-1 084*	*-1 003*
Life	*-67*	*-79*	*-74*	*-72*	*-76*	*-146*	*-149*
Net result from reinsurance contracts held	-15	-9	-4	28	-24	-24	-41
Impairment	-124	-38	-78	-69	-85	-162	-101
Of which: on financial assets at amortised cost and at fair value through other comprehensive income[1]	*-116*	*-38*	*-50*	*-61*	*-72*	*-155*	*-88*
Share in results of associated companies & joint ventures	1	0	-1	78	2	2	2
Result before tax	1 275	747	1 020	1 079	1 162	2 022	1 842
Income tax expense	-257	-202	96	-211	-237	-458	-412
Result after tax	1 018	546	1 115	868	925	1 564	1 431
attributable to minority interests	0	0	0	0	0	0	0
attributable to equity holders of the parent	**1 018**	**546**	**1 116**	**868**	**925**	**1 564**	**1 431**
Basic earnings per share (EUR)	2.50	1.32	2.75	2.14	2.25	3.82	3.44
Diluted earnings per share (EUR)	2.50	1.32	2.75	2.14	2.25	3.82	3.44

Key consolidated balance sheet figures, IFRS, KBC Group (in millions of EUR)	30-06-2025	31-03-2025	31-12-2024	30-09-2024	30-06-2024
Total assets	390 669	380 313	373 048	353 261	361 945
Loans & advances to customers	202 031	197 326	192 067	188 623	187 502
Securities (equity and debt instruments)	85 490	84 419	80 339	75 929	73 941
Deposits from customers	236 626	231 022	228 747	221 851	221 844
Insurance contract liabilities	17 022	16 912	17 111	17 012	16 521
Liabilities under investment contracts, insurance	15 757	15 631	15 671	15 193	14 780
Total equity	26 229	25 191	24 311	23 300	22 936

Selected ratios for KBC Group (consolidated)	1H2025	FY2024
Return on equity[2]	13%	15%
Cost/income ratio, group - excl. non-operating items and evenly spreading bank and insurance taxes throughout the year - excl. all bank and insurance taxes	 45% 41%	 47% 43%
Combined ratio, non-life insurance	85%	90%
Common equity ratio (CET1), fully loaded (Basel IV as of 2025, Danish Compromise, unfloored[3])	14.6%	15.0%
Credit cost ratio[4]	0.15%	0.10%
Impaired loans ratio	1.8%	2.0%
for loans more than 90 days past due	1.0%	1.0%
Net stable funding ratio (NSFR)	135%	139%
Liquidity coverage ratio (LCR)	157%	158%

1 Also referred to as 'Loan loss impairment'.
2 15% for the first half of 2025 (and 14% for full-year 2024), when non-operating items are excluded and bank and insurance taxes spread evenly throughout the year.
3 For the fully loaded common equity ratio as of 2025, KBC focuses on the so-called unfloored fully loaded common equity ratio, which takes into account the total risk-weighted asset impact of Basel IV, excluding the output floor impact.
4 A negative figure indicates a net impairment release (positively affecting results).

Analysis of the quarter (2Q2025)

Total income: 3 041 million euros

+4% quarter-on-quarter and +8% year-on-year

Net interest income amounted to 1 509 million euros, up 6% quarter-on-quarter and 9% year-on-year.

The quarter-on-quarter increase was due to factors such as the positive impact of a higher commercial transformation result, the higher level of income from lending activities (strong loan volume growth, partly offset by the negative impact of pressure on loan margins in some core markets), higher net interest income from inflation-linked bonds, increased interest income from dealing room activities, a greater number of days in the period under review, and lower subordinated funding costs. These items were partially offset by a lower level of interest income from customer term deposits (owing to a shift from term deposits to savings accounts) and from short-term cash management activities.

The year-on-year increase was due to a combination of a significantly higher commercial transformation result, a higher level of income from lending activities and increased interest income from dealing room activities. These items were partly offset by a lower level of interest income from customer term deposits, lower net interest income from inflation-linked bonds and a lower level of interest income from short-term cash management activities.

The net interest margin for the quarter under review amounted to 2.08%, up 2 basis points quarter-on-quarter but down 2 basis points year-on-year (due to the reasons mentioned above combined with an increase of the interest-bearing asset base). Customer loan volume amounted to 202 billion euros and was up 2% quarter-on-quarter and 7% year-on-year, with increases in every core country. Customer deposits amounted to 237 billion euros, up 2% quarter-on-quarter and 6% year-on-year. When excluding volatile, low-margin short-term deposits at KBC Bank's foreign branches (driven by short-term cash management opportunities), customer deposits were up 2% quarter-on-quarter and 7% year-on-year. The growth figures above exclude the forex-related impact.

For guidance regarding expected net interest income in 2025 and the years to come, please refer to the section entitled 'Our guidance'.

The **insurance service result** (insurance revenues before reinsurance – insurance service expenses before reinsurance + net result from reinsurance contracts held; the two latter items are not part of total income) amounted to 166 million euros and breaks down into 113 million euros for non-life insurance and 53 million euros for life insurance.

The **non-life** insurance service result went up by 17% quarter-on-quarter, owing primarily to higher insurance revenues and marginally lower insurance service expenses, partly offset by a worse reinsurance result. It was up 49% year-on-year thanks to much higher insurance revenues and a better reinsurance result, only partially offset by higher insurance service expenses. The **life** insurance service result was up 17% quarter-on-quarter, essentially due to lower insurance service expenses. It was up 42% year-on-year, thanks to a combination of higher insurance revenues and lower insurance service expenses.

The combined ratio of the non-life insurance activities amounted to an excellent 85% in the first half of 2025, compared to 90% for full-year 2024. At 671 million euros, non-life insurance sales were up 8% year-on-year, with growth in all countries and all main classes. At 655 million euros, sales of life insurance products were down 35% on the level recorded in the previous quarter (which had included very high sales of unit-linked insurance products, attributable to the successful launch of structured issues in Belgium in the first quarter of 2025) and up 6% on the level recorded in the year-earlier quarter (with higher sales of interest-guaranteed and hybrid products more than offsetting the drop in unit-linked insurance sales). Overall, the share of guaranteed-interest products and unit-linked products in our life insurance sales in the quarter under review amounted to 46% and 43%, respectively, with hybrid products (mainly in Belgium and the Czech Republic) accounting for the remainder.

For guidance regarding expected insurance revenues and the combined ratio in 2025 and the years to come, please refer to the section entitled 'Our guidance'.

Net fee and commission income amounted to 667 million euros, down 3% quarter-on-quarter but up 7% year-on-year. The decrease on the high level in the previous quarter was mainly accounted for by fees related to asset management activities (due in part to the effect of a lower average asset base and seasonally lower entry fees, and despite good net inflows in the quarter under review) and, to a lesser extent, by fees related to banking activities (following a strong first quarter). The year-on-year increase in net fee and commission income was attributable to higher fees for asset management activities (mainly increased management fees) and banking services (primarily payments and securities).

At the end of June 2025, our total assets under management amounted to 280 billion euros, up 3% quarter-on-quarter thanks to a positive market performance in the quarter (+2 percentage points) combined with the positive impact of net inflows (+1 percentage point). Assets under management grew by 7% year-on-year, with net inflows accounting for 4 percentage points and the positive market performance during the year for 3 percentage points.

Trading & fair value income and insurance finance income and expense amounted to -34 million euros, up 11 million euros quarter-on-quarter but down 37 million euros year-on-year. The quarter-on-quarter increase was due to the positive change in 'market value of derivatives used for asset/liability management purposes and other', partially offset by a lower dealing room result, whereas the year-on-year decrease was due mainly to the negative change in the 'market value of derivatives used for asset/liability management purposes and other'.

The **other remaining income items** included dividend income of 33 million euros (up significantly on the previous quarter since the bulk of dividend income is traditionally received in the second quarter) and net other income of 77 million euros (higher than its 50-million-euro normal run rate, as it included higher-than-average gains on the sale of real estate).

Operating expenses excluding bank and insurance taxes: 1 125 million euros

+2% quarter-on-quarter and +5% year-on-year

Operating expenses excluding bank and insurance taxes amounted to 1 125 million euros in the second quarter of 2025, up 2% on their level in the previous quarter and up 5% year-on-year*. The quarter-on-quarter increase was due mainly to higher staff costs, higher ICT costs and seasonally higher marketing expenses. The year-on-year increase was primarily accounted for by higher staff costs, ICT costs and depreciation expenses.
Bank and insurance taxes in the quarter under review amounted to 27 million euros, down significantly on the 539 million euros recorded in the previous quarter, as the bulk of the bank and insurance taxes for the full year is traditionally recorded in the first quarter of the year. Year-on-year, bank and insurance taxes were up 24 million euros, owing mainly to the partial reversal of the contribution to the deposit guarantee fund in Belgium in the second quarter of 2024.

When certain non-operating items are excluded and bank and insurance taxes spread evenly throughout the year, the cost/income ratio for the first six months of 2025 amounted to 45%, compared to 47% for full-year 2024. When excluding all bank and insurance taxes, the cost-income ratio amounted to 41%, compared to 43% for full-year 2024.

For guidance regarding expected operating expenses in 2025 and the years to come, please refer to the section entitled 'Our guidance'.

* Note that operating expenses excluding bank and insurance taxes were low in the first half of 2024, hence we feel comfortable with our full year 2025 guidance of growth for operating expenses excluding bank and insurance taxes of below 2.5% year-on-year.

Loan loss impairment: 116-million-euro net charge

versus a 38-million-euro net charge in the previous quarter and a 72-million-euro net charge in the year-earlier quarter

In the quarter under review, we recorded a 116-million-euro net loan loss impairment charge, compared to a net charge of 38 million euros in the previous quarter and 72 million euros in the year-earlier quarter. Of the net impairment charge in the quarter under review, 76 million euros related to the loan book (compared to 83 million euros, of which 41 million euros related to lowering the backstop shortfall for old non-performing loans in Belgium, in the previous quarter) and 40 million euros to an update of the reserve for geopolitical and macroeconomic uncertainties due to a management overlay (compared to a release of 45 million euros in the previous quarter). As a consequence, the outstanding reserve for geopolitical and macroeconomic uncertainties amounted to 112 million euros at the end of June 2025.

The resulting credit cost ratio amounted to 0.15% for the first six months of 2025 (likewise 0.15% excluding the changes in the reserve for geopolitical and macroeconomic uncertainties), compared to 0.10% for full-year 2024 (0.16% excluding the changes in the reserve for geopolitical and macroeconomic uncertainties). At the end of June 2025, 1.8% of our total loan book was classified as impaired ('Stage 3'), compared to 2.0% at year-end 2024. Impaired loans that are more than 90 days past due amounted to 1.0% of the loan book, the same as at year-end 2024.

For guidance regarding the expected credit cost ratio in 2025 and the years to come, please refer to the section entitled 'Our guidance'.

Impairment charges on assets *other than loans* amounted to 8 million euros in the quarter under review, compared to virtually zero in the previous quarter and 13 million euros in the year-earlier quarter. The figure for the quarter under review mainly includes the impairment charges related to modification losses on the extended interest rate cap regulation in Hungary and impairment charges on software.

Net result by business unit

Belgium 607 million euros; Czech Rep. 240 million euros; International Markets 237 million euros; Group Centre -65 million euros

Belgium: at first sight, the net result (607 million euros) was more than double the result for the previous quarter. However, when excluding bank and insurance taxes (the bulk of which for the full year is recorded in the first quarter and hence distorts the quarter-on-quarter comparison), the net result increased slightly by 1% quarter-on-quarter, due to the combined effect of:
- higher total income (accounted for mainly by increased net interest income, net other income and the seasonal peak in dividend income, partially offset by lower trading & fair value income and net fee and commission income);
- a more or less stable level of costs;
- lower insurance service expenses after reinsurance;
- higher impairment charges.

Czech Republic: at first sight, the net result (240 million euros) was up 16% on the result for the previous quarter. However, when excluding bank and insurance taxes, the net result was up 4% quarter-on-quarter, due to the combined effect of:
- higher total income (due primarily to higher net interest income, insurance revenues and trading & fair value income, partially offset by lower net fee and commission income);
- a slightly higher level of costs;
- higher insurance service expenses after reinsurance;
- slightly lower impairment charges.

International Markets: the 237-million-euro net result breaks down as follows: 25 million euros in Slovakia, 122 million euros in Hungary and 90 million euros in Bulgaria. For the business unit as a whole, the net result was, at first glance, up 75% on the previous quarter's result. However, when excluding bank and insurance taxes, the net result fell slightly by 3% quarter-on-quarter, due to the combined effect of:

- higher total income (increases in all income items);
- higher costs;
- lower insurance service expenses after reinsurance;
- higher impairment charges.

Group Centre: the net result (-65 million euros) was 12 million euros higher than the figure recorded in the previous quarter, due in part to higher trading & fair value income, partially offset by higher costs.

A full results table is provided in the 'Additional information' section of the quarterly report. A short analysis of the results per business unit is provided in the analyst presentation (available at www.kbc.com).

	Belgium		Czech Republic		International Markets	
Selected ratios by business unit	**1H2025**	**FY2024**	**1H2025**	**FY2024**	**1H2025**	**FY2024**
Cost/income ratio						
- excl. non-operating items and evenly spreading bank and insurance taxes throughout the year	43%	44%	42%	45%	45%	46%
- excl. all bank and insurance taxes	39%	41%	41%	43%	37%	38%
Combined ratio, non-life insurance	86%	88%	83%	86%	89%[2]	96%[2]
Credit cost ratio[1]	0.14%	0.19%	0.12%	-0.09%	0.19%	-0.08%
Impaired loans ratio	1.9%	2.0%	1.3%	1.3%	1.5%	1.6%

1 A negative figure indicates a net impairment release (positively affecting results). See 'Details of ratios and terms' in the quarterly report.
2 Excluding windfall insurance taxes in Hungary, the combined ratio amounted to 93% for full-year 2024 and 85% for the first six months of 2025.

Solvency and liquidity

Common equity ratio of 14.6%, NSFR of 135%, LCR of 157%

At the end of June 2025, total equity came to 26.2 billion euros and comprised 23.3 billion euros in parent shareholders' equity and 2.9 billion euros in additional tier-1 instruments. Total equity was up 1.9 billion euros on its level at the end of 2024. This was due to the combined effect of:

- the inclusion of the profit for the first six months of 2025 (+1.6 billion euros);
- the payment of the final dividend for 2024 in May 2025 (-1.2 billion euros);
- higher revaluation reserves (+0.6 billion euros);
- higher additional tier-1 instruments (+1.0 billion euros, owing to a new issue in May 2025);
- a number of smaller items.

We have provided details of these changes under 'Consolidated statement of changes in equity' in the 'Consolidated financial statements' section of the quarterly report.

In the first six months of 2025, risk-weighted assets rose by 6.3 billion euros to 126.2 billion euros, driven primarily by the application of Basel IV and volume growth.

Our solvency position remained strong, as illustrated by an unfloored fully loaded common equity ratio (CET1) of 14.6% under Basel IV at 30 June 2025, compared to 15.0% under Basel III at the end of December 2024 (corresponding to14.6% under Basel IV). The solvency ratio for KBC Insurance under the Solvency II framework was 213% at the end of June 2025, compared to 200% at the end of 2024. We have provided more details on solvency under 'Solvency' in the 'Additional information' section of the quarterly report. We estimate that the acquisition of 365.bank in Slovakia, which was announced in the previous quarter, will have an impact of -50 basis points on our unfloored fully loaded common equity ratio when completed (expected before the end of 2025).

The dividend policy and capital deployment policy are explained in the 'Our guidance' section of this report. In line with that policy, we will pay an interim dividend of 1 euro per share in November 2025 as an advance on the total dividend for financial year 2025.

Our liquidity position also remained excellent, as reflected in an LCR ratio of 157% and an NSFR ratio of 135%, compared to 158% and 139%, respectively, at the end of 2024, well above the regulatory minima of 100%.

Analysis of the year-to-date period (1H2025)

Net result for 1H2025: 1 564 million euros

up 9% year-on-year

Highlights (compared to the first six months of 2024, unless otherwise stated):

- **Net interest income**: up 7% to 2 930 million euros. This was attributable in part to the much higher commercial transformation result and increased level of interest income from lending activities, lower costs related to the minimum required reserves held with central banks, lower subordinated funding cost as well as the higher level of interest income from dealing room activities, partly offset by lower interest income related to ALM, short-term cash management activities and customer term deposit funding. Excluding forex effects, the volume of customer loans rose by 7% while customer deposits increased by 6% year-on-year (+7% when excluding KBC Bank's foreign branches). The net interest margin in the first six months of 2025 came to 2.06%, down 3 basis points year-on-year.
- **Insurance service result** (insurance revenues before reinsurance - insurance service expenses before reinsurance + net result from reinsurance contracts held): up 24% to 307 million euros. The non-life combined ratio for the first six months of 2025 amounted to 85%, compared to 90% for full-year 2024. Non-life insurance sales were up 8% to 1 462 million euros, with increases in all main classes, while life insurance sales were up 20% to 1 668 million euros, thanks to higher sales of unit-linked, interest-guaranteed and hybrid products.
- **Net fee and commission income**: up 10% to 1 357 million euros. This was attributable to higher fees for asset management services and for banking services (mainly payment services, network income and securities services). At the end of June 2025, total assets under management were up 7% to 280 billion euros due to a combination of net inflows (+4 percentage points) and the effect of a positive year-on-year market performance (+3 percentage points).
- **Trading & fair value income and insurance finance income and expense**: down 27 million euros to -79 million euros. This was due in part to lower dealing room income.
- **All other income items combined**: up 31% to 186 million euros, thanks mainly to higher net other income.
- **Operating expenses excluding bank and insurance taxes:** up 4% to 2 232 million euros. This increase on what was a relatively low level in the reference period was attributable to higher staff costs, higher ICT costs and higher depreciation expenses. Bank and insurance taxes amounted to 566 million euros, up 9% year-on-year. The cost/income ratio for the first six months of 2025 amounted to 45% when certain non-operating items are excluded and bank and insurance taxes spread evenly throughout the year (47% for full-year 2024). When bank and insurance taxes are fully excluded, the cost-income ratio for the period under review amounted to 41% (43% for full-year 2024).
- **Loan loss impairment**: net charge of 155 million euros, compared to a net charge of 88 million euros in the reference period. The first six months of 2025 included a net charge of 159 million euros for the loan book and a small net release of 5 million euros in the reserve for geopolitical and macroeconomic uncertainties (compared to a net charge of 101 million euros and a net release of 13 million euros, respectively, in the reference period). As a result, the credit cost ratio amounted to 0.15%, compared to 0.10% for full-year 2024. Impairment charges on assets other than loans amounted to 8 million euros, compared to 13 million euros in the reference period.
- **The 1 564-million-euro net result for the first six months of 2025** breaks down as follows: 888 million euros for the Belgium Business Unit (up 126 million euros on its year-earlier level), 447 million euros for the Czech Republic Business Unit (up 6 million euros), 372 million euros for the International Markets Business Unit (up 1 million euros) and -143 million euros for the Group Centre (down 1 million euros).

ESG developments, risk statement and economic views

ESG developments

KBC continues to stride forward in its sustainability journey, together with its customers, employees and other stakeholders. We share sustainability information in a transparent and consistent manner. Since this year, we have done so in a dedicated Sustainability Statement in our Annual Report, as well as in our voluntary Sustainability Report. Both publications are available at www.kbc.com.

We have received broad recognition for our transparent sustainability communication in the form of several sustainability-related awards and ESG ratings. For example, we have been included in the S&P Global Yearbook and remain a FTSE4Good Index Series constituent. Furthermore, K&H in Hungary, UBB in Bulgaria and KBC Bank in Belgium all recently received the Euromoney Award for Best Bank for ESG in their respective countries.

These acknowledgements reflect the group's continued commitment to integrating environmental, social, and governance principles across its operations and strategy. They also highlight our strong performance in sustainability and reaffirm our position as a leader in responsible business practices.

Risk statement

As we are mainly active in banking, insurance and asset management, we are exposed to a number of typical risks for these financial sectors such as – but not limited to – credit default risk, counterparty credit risk, concentration risk, movements in interest rates, currency risk, market risk, liquidity and funding risk, insurance underwriting risk, changes in regulations, operational risk, customer litigation, competition from other and new players, as well as the economy in general. KBC closely monitors and manages each of these risks within a strict risk framework, but they may all have a negative impact on asset values or could generate additional charges beyond anticipated levels.

At present, a number of factors are considered to constitute the main challenges for the financial sector. These stem primarily from geopolitical risks which have increased significantly over the past few years (including the war in Ukraine, conflicts in the Middle East and trade wars as a consequence of US tariff policies). These risks result or may result in shocks for the global economic system (e.g., GDP and inflation) and the financial markets (including interest rates). European economies, including KBC's home markets, are affected too, creating an uncertain business environment, including for financial institutions. Regulatory and compliance risks (in relation to capital requirements, anti-money laundering regulations, GDPR and ESG/sustainability) also remain a dominant theme for the sector, as does enhanced consumer protection. Digitalisation (with technology, including AI, as a catalyst) presents both opportunities and threats to the business model of traditional financial institutions, while climate and environmental-related risks are becoming increasingly prevalent. Cyber risk has become one of the main threats during the past few years, not just for the financial sector, but for the economy as a whole. The war in Ukraine and geopolitical tensions in general have triggered an increase in attacks worldwide. Finally, we have seen governments across Europe taking additional measures to support their budgets (via increased tax contributions from the financial sector) and their citizens and corporate sector (by, for instance, implementing interest rate caps on loans or by pushing for higher rates on savings accounts).

We provide risk management data in our annual reports, quarterly reports and dedicated risk reports, all of which are available at www.kbc.com.

Our view on economic growth

US economic activity rose by 0.7% (non-annualised) in the second quarter of 2025, compared to negative growth of -0.1% in the first quarter of 2025. The rebound was largely attributable to resilient consumer demand and net exports. As a result of recent US economic policy – specifically with respect to import tariffs – growth in the US is expected to slow down again and to stagnate in the third quarter, before moderately recovering.

Euro area growth in the second quarter amounted to 0.1%, after 0.6% had been recorded in the first quarter of 2025. Notwithstanding the US-EU tariff agreement of 27 July, uncertainty surrounding economic policy and trade relations are likely to keep economic growth in the euro area subdued in the next few quarters. Meanwhile, the medium-term growth outlook has improved somewhat on the back of expected defence spending and infrastructure investments.

Quarter-on-quarter growth in Belgium was 0.2% in the second quarter, markedly weaker than in the previous quarter. Relatively strong domestic demand still remains the most important contributor to economic growth. For the next few quarters, we expect growth to remain broadly in line with that of the euro area.

The Czech economy grew by 0.2% in the second quarter, down from the 0.7% recorded in the first quarter of 2025, due to a weak industrial recovery. Hungarian economic activity rebounded by 0.4% in the second quarter after a decline of 0.1% in the first quarter. In Bulgaria and Slovakia, second-quarter real GDP growth was relatively resilient at 0.5% and 0.3%, respectively.

The main risk to our short-term outlook for European growth is a further escalation of the ongoing global trade conflict. Of particular concern is the continued threat of new US policy actions (even after the US-EU tariff agreement) and EU countermeasures to this and to the potential trade diversion of Chinese export goods away from the US market towards the EU.

Our view on interest rates and foreign exchange rates

In the euro area, inflation hit 2.0% in July, with core inflation remaining steady at 2.3%. Disinflationary pressures exerted by lower energy prices, the negative demand shock caused by US trade tariffs and the strength of the euro are likely to persist in the coming months. In the US, both headline and core inflation picked up in June, increasing to 2.7% and 2.9%, respectively. US inflation is likely to increase further in the course of 2025, as a consequence of the import tariffs imposed by the government there.

The ECB continued its easing cycle and cut its deposit rate in January, March, April and June 2025 to its current level of 2.0%. We expect the ECB to cut rates one more time in September, followed by a period of unchanged policy rates.

The Fed kept its easing cycle on pause in the first half of the year amidst economic uncertainty, especially about the inflationary and growth impact of higher import tariffs. If its assessment of the impact of US economic policies allows, the Fed will resume its cautious easing path in the second half of 2025.

There has been a disconnect between 10-year bond yields in the US and Germany since the start of the year. This has been driven by several events. Firstly, a huge fiscal spending plan was passed in the German parliament covering defence spending and infrastructure investment, followed by the announcement of increased defence spending at EU level. This pushed up the 10-year German bond yield and caused the US-German 10-year spread to narrow to about 140 basis points. Next, the announcement of so-called reciprocal tariffs by the US on 2 April, which triggered fears of higher inflation and less and/or later monetary policy easing by the Fed, led to a sharp rise in US 10-year bond yields. Later, the rise also gradually started to reflect a more general risk aversion towards US assets, which was also fuelled by fears about central bank independence. The higher general risk aversion towards the US has been reflected in the sizeable depreciation of the US dollar since April.

The Czech National Bank (CNB) cut its policy rate by 25 basis points in both February and May 2025, which brought it to its current level of 3.50%. Only one additional interest rate cut in the last quarter of 2025 is expected as elevated momentum in service inflation remains a source of concern for the CNB. We expect the Czech koruna to gradually appreciate against the euro towards the end of 2025.

The Hungarian central bank has kept its policy rate unchanged at 6.5% since late 2024. With the CPI hovering around – but still above – the 3% target, the National Bank of Hungary will be careful not to lower its policy rate too quickly. We expect just one 25-basis-point cut this year, followed by two rate cuts in 2026 (by 75 basis points in total), which would take the base rate to 5.50%. The forint has strengthened since the beginning of the year, albeit with bumps along the way, such as when reciprocal tariffs were announced on 2 April. We expect the currency to moderately depreciate from its current levels by the end of 2025.

Our guidance

Guidance for full-year 2025 (updated)

- Total income: at least +7% year-on-year (up from 5.5%)
- Net interest income: at least 5.85 billion euros (up from 5.7 billion euros), supported by organic loan volume growth of at least 6.5% (up from approx. 4%)
- Insurance revenues (before reinsurance): at least +7% year-on-year (unchanged)
- Operating expenses (excluding bank and insurance taxes): below +2.5% year-on-year (below full-year 2024 growth excl. Ireland of +2.7%) (unchanged)
- Combined ratio: below 91% (unchanged)
- Credit cost ratio: well below the through-the-cycle credit cost ratio of 25-30 basis points (unchanged)

Medium to long-term guidance (as provided with the full-year 2024 results)

- CAGR total income (2024-2027): at least +6%
- CAGR net interest income (2024-2027): at least +5%
- CAGR insurance revenues (before reinsurance) (2024-2027): at least +7%
- CAGR operating expenses (excluding bank and insurance taxes) (2024-2027): below +3%
- Combined ratio: below 91%
- Credit cost ratio: well below the through-the-cycle credit cost ratio of 25-30 basis points

Dividend and capital deployment policy (as provided with the 1Q2025 results)

- Dividend policy:
  - Payout ratio (including AT1 coupon) between 50% and 65% of consolidated profit of the accounting year;
  - Interim dividend of 1 euro per share in November of each accounting year as an advance on the total dividend.
- Capital deployment policy:
  - We aim to remain amongst the better capitalised financial institutions in Europe;
  - Each year (when announcing the full-year results), the Board of Directors will take a decision, at its discretion, on the capital deployment. The focus will predominantly be on further organic growth and M&A;
  - We see a 13% unfloored fully loaded common equity ratio as the minimum;
  - We will fill up the AT1 and Tier 2 buckets within P2R and will start using SRTs (Significant Risk Transfers) as a part of a risk-weighted assets optimisation programme.

Upcoming events and references

Agenda	Interim dividend of 1 euro: ex-coupon: 5 Nov.2025, record: 6 Nov.2025, payment 7 Nov.2025 3Q2025 results: 13 November 2025 4Q2025/FY2025 results: 12 February 2026 Other events: www.kbc.com / Investor Relations / Financial calendar
More information on the quarter under review	Quarterly report: www.kbc.com / Investor Relations / Reports Company presentation: www.kbc.com / Investor Relations / Presentations

KBC Group

Condensed interim consolidated financial statements according to IFRS

2Q 2025 and 1H 2025

Section reviewed by the Auditor

Glossary:

AC: Amortised Cost
ALM: Asset Liability Management
AT1: Additional tier-1 instruments
BBA: Building block approach
CSM: Contractual service margin
ECL: Expected Credit Loss
FV: Fair Value
FVO: Fair Value Option (designated upon initial recognition at Fair Value through Profit or Loss)
FVOCI: Fair Value through Other Comprehensive Income
FVPL: Fair Value through Profit or Loss
GCA: Gross Carrying Amount
HFT: Held For Trading
IFIE: Insurance finance income and expense
MFVPL: Mandatorily Measured at Fair Value through Profit or Loss (including HFT)
OCI: Other Comprehensive Income
OPEX: Operating expenses
P&L: Income statement
PAA: Premium allocation approach
POCI: Purchased or Originated Credit Impaired Assets
SPPI: Solely payments of principal and interest
SRB: Single Resolution Board
R/E: Retained Earnings
UL: Unit linked
VFA: Variable fee approach

Consolidated income statement

(in millions of EUR)	Note	1H 2025	1H 2024	2Q 2025	1Q 2025	2Q 2024
Net interest income	3.1	2 930	2 748	1 509	1 421	1 379
Interest income	*3.1*	*8 839*	*10 225*	*4 418*	*4 421*	*5 103*
Interest expense	*3.1*	*-5 909*	*-7 477*	*-2 909*	*-3 000*	*-3 724*
Insurance revenues before reinsurance	3.6	1 561	1 441	788	773	726
Non-life	*3.6*	*1 316*	*1 211*	*667*	*648*	*613*
Life	*3.6*	*246*	*230*	*121*	*125*	*114*
Dividend income		42	33	33	9	26
Net result from financial instruments at fair value through profit or loss & Insurance finance income and expense (for insurance contracts issued)	3.3	- 79	- 52	- 34	- 45	3
Net result from financial instruments at fair value through profit or loss	*3.3*	*62*	*118*	*50*	*12*	*78*
Insurance finance income and expense (for insurance contracts issued)	*3.6*	*- 141*	*- 170*	*- 83*	*- 57*	*- 75*
Net fee and commission income	3.4	1 357	1 237	667	690	623
Fee and commission income	*3.4*	*1 697*	*1 563*	*844*	*854*	*789*
Fee and commission expense	*3.4*	*- 341*	*- 326*	*- 177*	*- 164*	*- 166*
Net other income	3.5	143	109	77	67	51
TOTAL INCOME		5 955	5 516	3 041	2 915	2 809
Operating expenses (excluding opex allocated to insurance expenses)	3.7	-2 518	-2 381	-1 020	-1 498	- 950
Total Opex without bank and insurance tax	*3.7*	*-2 232*	*-2 137*	*-1 125*	*-1 106*	*-1 074*
Total bank and insurance tax	*3.7*	*- 566*	*- 521*	*- 27*	*- 539*	*- 2*
Minus: Opex allocated to insurance service expenses	*3.7*	*280*	*276*	*132*	*148*	*126*
Insurance service expenses before reinsurance	3.6	-1 230	-1 152	- 608	- 622	- 590
Of which insurance commissions paid	3.6	*- 206*	*- 181*	*- 105*	*- 102*	*- 92*
Non-life	3.6	*-1 084*	*-1 003*	*- 541*	*- 543*	*- 514*
Of which Non-life - Claim related expenses	3.6	*- 679*	*- 623*	*- 342*	*- 337*	*- 331*
Life	3.6	*- 146*	*- 149*	*- 67*	*- 79*	*- 76*
Net result from reinsurance contracts held	3.6	- 24	- 41	- 15	- 9	- 24
Impairment	3.9	- 162	- 101	- 124	- 38	- 85
on FA at amortised cost and at FVOCI	*3.9*	*- 155*	*- 88*	*- 116*	*- 38*	*- 72*
on goodwill	*3.9*	*0*	*0*	*0*	*0*	*0*
other	*3.9*	*- 8*	*- 13*	*- 8*	*0*	*- 13*
Share in results of associated companies and joint ventures		2	2	1	0	2
RESULT BEFORE TAX		2 022	1 842	1 275	747	1 162
Income tax expense		- 458	- 412	- 257	- 202	- 237
Net post-tax result from discontinued operations		0	0	0	0	0
RESULT AFTER TAX		1 564	1 431	1 018	546	925
attributable to minority interests		0	0	0	0	0
attributable to equity holders of the parent		**1 564**	**1 431**	**1 018**	**546**	**925**
Earnings per share (in EUR)						
Ordinary		3.82	3.44	2.50	1.32	2.25
Diluted		3.82	3.44	2.50	1.32	2.25

Consolidated statement of comprehensive income

(in millions of EUR)	1H 2025	1H 2024	2Q 2025	1Q 2025	2Q 2024
RESULT AFTER TAX	**1 564**	**1 431**	**1 018**	**546**	**925**
Attributable to minority interests	0	0	0	0	0
Attributable to equity holders of the parent	1 564	1 431	1 018	546	925
OCI THAT MAY BE RECYCLED TO PROFIT OR LOSS	**715**	**- 148**	**264**	**451**	**4**
Net change in revaluation reserve (FVOCI debt instruments)	**45**	**- 235**	**156**	**- 111**	**- 136**
Fair value adjustments before tax	62	- 310	205	- 142	- 178
Deferred tax on fair value changes	- 16	74	- 50	34	41
Transfer from reserve to net result	- 1	0	1	- 2	2
Impairment	*1*	*0*	*1*	*0*	*0*
Net gains/losses on disposal	*- 2*	*0*	*0*	*- 2*	*0*
Deferred taxes on income	*0*	*0*	*0*	*1*	*1*
Net change in hedging reserve (cashflow hedges)	**274**	**89**	**49**	**224**	**85**
Fair value adjustments before tax	328	72	45	283	98
Deferred tax on fair value changes	- 80	- 18	- 9	- 71	- 24
Transfer from reserve to net result	27	36	14	12	11
Gross amount	*35*	*48*	*19*	*16*	*14*
Deferred taxes on income	*- 9*	*- 12*	*- 5*	*-4*	*- 4*
Net change in translation differences	**82**	**- 134**	**13**	**70**	**35**
Gross amount	82	- 134	13	70	35
Deferred taxes on income	0	0	0	0	0
Hedge of net investments in foreign operations	**0**	**24**	**11**	**- 11**	**- 18**
Fair value adjustments before tax	- 5	39	11	- 16	- 15
Deferred tax on fair value changes	1	- 10	- 3	4	4
Transfer from reserve to net result	3	- 6	3	0	- 6
Gross amount	*4*	*- 8*	*4*	*0*	*- 8*
Deferred taxes on income	*- 1*	*2*	*- 1*	*0*	*2*
Net insurance finance income and expense from (re)insurance contracts issued and held	**317**	**107**	**34**	**284**	**40**
Present value adjustments before tax	424	141	45	379	52
Deferred taxes on present value changes	- 107	- 34	- 11	- 95	- 13
Transfer from reserve to net result (transfer/derecognition)	0	0	0	0	0
Gross amount	*0*	*0*	*0*	*0*	*0*
Deferred taxes on income	*0*	*0*	*0*	*0*	*0*
Net change in respect of associated companies and joint ventures	**0**	**0**	**0**	**0**	**0**
Gross amount	0	0	0	0	0
Deferred taxes on income	0	0	0	0	0
Other movements	**- 3**	**1**	**1**	**- 5**	**- 1**
OCI THAT WILL NOT BE RECYCLED TO PROFIT OR LOSS	**- 87**	**188**	**- 11**	**- 76**	**36**
Net change in revaluation reserve (FVOCI equity instruments)	**- 54**	**144**	**- 4**	**- 50**	**30**
Fair value adjustments before tax	- 52	143	- 4	- 47	29
Deferred tax on fair value changes	- 2	1	0	- 2	0
Net change in defined benefit plans	**- 33**	**44**	**- 7**	**- 26**	**7**
Remeasurements	- 48	57	- 9	- 39	9
Deferred tax on remeasurements	15	- 13	2	13	- 2
Net change in own credit risk	**- 1**	**0**	**- 1**	**0**	**0**
Fair value adjustments before tax	- 1	0	- 1	0	0
Deferred tax on fair value changes	0	0	0	0	0
Net change in respect of associated companies and joint ventures	**0**	**0**	**0**	**0**	**0**
Remeasurements	0	0	0	0	0
Deferred tax on remeasurements	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	**2 192**	**1 471**	**1 271**	**921**	**966**
Attributable to minority interests	1	0	0	0	0
Attributable to equity holders of the parent	2 191	1 471	1 271	921	966

The largest movements in other comprehensive income (1H 2025 and 1H 2024):

- Net change in revaluation reserve (FVOCI debt instruments): the +45 million euros in 1H 2025 is mainly explained by slightly lower short and mid-term interest rates chiefly in government bonds in most countries in combination with the unwinding effect of the negative outstanding revaluation reserve. The -235 million euros in 1H 2024 is mainly explained by higher interest rates chiefly in government bonds in most countries partly compensated by the unwinding effect of the negative outstanding revaluation reserve.
- Net change in hedging reserve (cash flow hedge): the 274 million euros in 1H 2025 can for a large part be explained by the positive MtM on the net payer swaps position due to higher long-term interest rates in combination with the unwinding effect of the negative outstanding cash flow hedge reserve. The +89 million euros in 1H 2024 can for a large part be explained by the unwinding effect of the negative outstanding cash flow hedge reserve.
- The net change in translation differences: the +82 million euros in 1H 2025 was mainly caused by the appreciation of the CZK and HUF versus the EUR, partly offset by the depreciation of the USD versus the EUR and a partial realisation related to dividend payments. The hedge of net investments in foreign operations had a net zero impact, with compensating effects of the appreciation of the CZK and HUF versus the EUR offset by the depreciation of the USD versus the EUR and a partial realisation related to dividend payments. The -134 million euros in 1H 2024 was mainly caused by the depreciation of the CZK and HUF versus the EUR. This was partly offset by the hedge of net investments in foreign operations (+24 million euros). The hedging policy of FX participations aims to stabilize the group capital ratio (and not parent shareholders' equity).
- The net changes in net insurance finance income and expense from (re)insurance contracts issued and held of +317 million euros in 1H 2025 is mainly explained by the EUR (very) long-term risk free interest rate increase. The +107 million euros in 1H 2024 is also explained by the interest rate increase, partly offset by a migration of contracts of individual pension agreements from the portfolio 'Risk and Savings' towards the portfolio 'Hybrid products'.
- Net change in revaluation reserve (FVOCI equity instruments): the -54 million euros in 1H 2025 is mainly explained by the negative fair value movements related to depreciation of the USD versus the EUR for equity securities quoted in USD in combination with lower revaluations of non-quoted shares. The +144 million euros in 1H 2024 is mainly explained by positive fair value movements thanks to improved stock markets.
- Net change in defined benefit plans: the -33 million euros in 1H 2025 is mainly explained by the effect of the negative return of the plan assets and the higher expected inflation rate, partly compensated by the higher discount rate applied on the obligations. The +44 million euros in 1H 2024 is mainly explained by the effect of the higher discount rate applied on the obligations.

Consolidated balance sheet

(in millions of EUR)	Note	30-06-2025	31-12-2024
ASSETS			
Cash, cash balances with central banks and other demand deposits with credit institutions		36 039	46 834
Financial assets	4.0	347 271	318 540
Amortised cost	*4.0*	*291 393*	*265 875*
Fair value through OCI	*4.0*	*27 265*	*24 261*
Fair value through profit or loss	*4.0*	*28 385*	*28 132*
of which held for trading	*4.0*	*10 533*	*10 509*
Hedging derivatives	*4.0*	*228*	*271*
Reinsurers' contract assets held		84	119
Accumulated profit/loss on positions in portfolios hedged for interest rate risk		-2 219	-1 930
Tax assets		919	1 002
Current tax assets		*88*	*59*
Deferred tax assets		*831*	*942*
Non-current assets held for sale and disposal groups		1	1
Investments in associated companies and joint ventures		59	116
Property, equipment and investment property		4 024	3 981
Goodwill and other intangible assets		2 558	2 475
Other assets		1 933	1 911
TOTAL ASSETS		390 669	373 048
LIABILITIES AND EQUITY			
Financial liabilities	4.0	344 094	328 723
Amortised cost	*4.0*	*320 545*	*306 050*
Fair value through profit or loss	*4.0*	*23 241*	*22 356*
of which held for trading	*4.0*	*6 464*	*5 677*
Hedging derivatives	*4.0*	*308*	*316*
Insurance contract liabilities	5.6	17 022	17 111
Non-life	*5.6*	*3 280*	*3 186*
Life	*5.6*	*13 742*	*13 925*
Profit/loss on positions in portfolios hedged for interest rate risk		- 300	- 386
Tax liabilities		660	470
Current tax liabilities		*179*	*121*
Deferred tax liabilities		*481*	*349*
Liabilities associated with disposal groups		0	0
Provisions for risks and charges		140	141
Other liabilities		2 825	2 678
TOTAL LIABILITIES		364 440	348 737
Total equity	5.10	26 229	24 311
Parent shareholders' equity	5.10	23 339	22 447
Additional tier-1 instruments included in equity	5.10	2 864	1 864
Minority interests		27	0
TOTAL LIABILITIES AND EQUITY		390 669	373 048

- The total assets increase in 1H 2025 can for the largest part be explained by higher loans and advances to customers, increased bond portfolio and higher reverse repos, partly offset by lower cash and cash balances with central banks.
- The increase of the total liabilities in 1H 2025 can for the largest part be explained by higher customer deposits and certificates of deposit.

Consolidated statement of changes in equity

(in millions of EUR)	Issued and paid up share capital	Share premium	Treasury shares	Retained earnings	Total revaluation reserves	Parent shareholders' equity	AT1 instruments included in equity	Minority interests	Total equity
30-06-2025									
Balance at the beginning of the period	1 462	5 564	-1 300	15 724	997	22 447	1 864	0	24 311
Net result for the period	0	0	0	1 564	0	1 564	0	0	1 564
Other comprehensive income for the period	0	0	0	- 3	631	627	0	0	628
Subtotal	0	0	0	1 560	631	2 191	0	1	2 192
Dividends	0	0	0	-1 249	0	-1 249	0	0	-1 249
Coupon on AT1	0	0	0	- 46	0	- 46	0	0	- 46
Issue/repurchase of AT1 included in equity	0	0	0	- 4	0	- 4	1 000	0	996
Capital increase	0	0	0	0	0	0	0	0	0
Transfer from revaluation reserves to retained earnings on realisation	0	0	0	15	- 15	0	0	0	0
Change in scope	0	0	0	0	0	0	0	26	26
Change in minorities interests	0	0	0	0	0	0	0	0	0
Total change	0	0	0	276	616	892	1 000	26	1 918
Balance at the end of the period	1 462	5 564	-1 300	15 999	1 614	23 339	2 864	27	26 229
2024									
Balance at the beginning of the period	1 461	5 548	- 497	14 332	1 166	22 010	2 250	0	24 260
Restatement related to previous year(s)	0	0	0	- 41	0	- 41	0	0	- 41
Restated balance	1 461	5 548	- 497	14 290	1 166	21 968	2 250	0	24 219
Net result for the period	0	0	0	3 415	0	3 415	0	- 1	3 414
Other comprehensive income for the period	0	0	0	- 2	- 121	- 123	0	0	- 123
Subtotal	0	0	0	3 413	- 121	3 292	0	- 1	3 292
Dividends	0	0	0	-1 942	0	-1 942	0	0	-1 942
Coupon on AT1	0	0	0	- 84	0	- 84	0	0	- 84
Issue/repurchase of AT1 included in equity	0	0	0	- 2	0	- 2	- 386	0	- 388
Capital increase	1	16	0	0	0	17	0	0	17
Transfer from revaluation reserves to retained earnings on realisation	0	0	0	47	- 47	0	0	0	0
Purchase/sale of treasury shares	0	0	- 803	0	0	- 803	0	0	- 803
Change in scope	0	0	0	0	0	0	0	0	0
Change in minorities interests	0	0	0	0	0	0	0	1	1
Total change	1	16	- 803	1 433	- 168	478	- 386	0	93
Balance at the end of the period	1 462	5 564	-1 300	15 724	997	22 447	1 864	0	24 311
30-06-2024									
Balance at the beginning of the period	1 461	5 548	- 497	14 332	1 166	22 010	2 250	0	24 260
Restatement related to previous year(s)	0	0	0	- 41	0	- 41	0	0	- 41
Restated balance	1 461	5 548	- 497	14 290	1 166	21 968	2 250	0	24 219
Net result for the period	0	0	0	1 431	0	1 431	0	0	1 431
OCI for the period	0	0	0	1	39	40	0	0	40
Subtotal	0	0	0	1 432	39	1 471	0	0	1 471
Dividends	0	0	0	-1 545	0	-1 545	0	0	-1 545
Coupon on AT1	0	0	0	- 47	0	- 47	0	0	- 47
Issue/repurchase of AT1 included in equity	0	0	0	0	0	0	- 500	0	- 500
Capital increase	0	0	0	0	0	0	0	0	0
Transfer from revaluation reserves to retained earnings on realisation	0	0	0	21	- 21	0	0	0	0
Purchase/sale of treasury shares	0	0	- 661	0	0	- 661	0	0	- 661
Change in scope	0	0	0	0	0	0	0	0	0
Change in minorities interests	0	0	0	0	0	0	0	1	1
Total change	0	0	- 661	- 140	18	- 783	- 500	0	-1 282
Balance at the end of the period	1 461	5 548	-1 158	14 151	1 184	21 185	1 750	1	22 936

1H 2025

- The Annual General Meeting on 30 April 2025 approved a final gross dividend of 4.85 euros per share related to the accounting year 2024, of which:
  - an extraordinary interim dividend of 0.70 euros per share (280 million euros in total), as decided by KBC Group's Board of Directors of 15 May 2024 and paid on 29 May 2024, reflecting the distribution of the surplus capital above 15% fully loaded CET1 threshold per end 2023 (was deducted from retained earnings in 2Q 2024)
  - 4.15 euros per share:
    - an interim dividend of 1.00 euro per share (396 million euros in total), as decided by KBC Group's Board of Directors of 7 August 2024 and paid on 14 November 2024, in line with our Dividend Policy (was deducted from retained earnings in 3Q 2024)
    - a final ordinary dividend of 3.15 euros per share, paid on 8 May 2025 (1 249 million euros in total) (was deducted from retained earnings in 2Q 2025).
- Issue/repurchase of AT1 included in equity: on 27 May 2025, KBC Group NV issued 1 billion euros in AT1 Securities. For more information, see note 5.10 further in this report.

2024

- The 'Dividends' item in 2024 (1 942 million euros) includes the final dividend 2023 of 3.15 euros per share, the distribution of the surplus capital above the fully loaded CET1 ratio of 15% in the form of an extraordinary interim dividend of 0.70 euros per share on 29 May 2024 and the interim dividend of 1.00 euro per share (paid in November 2024)
- Restatement related to previous year(s): adjustment of tax calculation in the Czech Republic. Given the relatively limited impact, the balance sheet and income statement for 2023 were not retroactively restated.
- Issue/repurchase of AT1 included in equity:
  - On 5 March 2024, KBC Group NV called the Additional Tier-1 Securities (AT1) issued in 2019 for 500 million euros.
  - On 17 September 2024, KBC Group NV issued 750 million euros in AT1 Securities.
  - On 18 September 2024, KBC Group NV announced the repurchase of part of the AT1 Securities issued in 2018 via a cash tender offer for an aggregate principal amount of 636 million euros.
- Treasury shares: within the framework of the share buyback programme of 1.3 billion euros announced on 10 August 2023, the total number of own shares repurchased by KBC during to the programme amounted to 20 980 823 at 31 July 2024, completion date of the share buyback programme.

For more information: https://www.kbc.com/en/share-buy-back and Solvency section further in this report.

Composition of the 'Total revaluation reserves' column in the previous table (in millions of EUR)	30-06-2025	31-12-2024	30-06-2024
Total	1 614	997	1 184
Revaluation reserve (FVOCI debt instruments)	- 639	- 684	- 831
Revaluation reserve (FVOCI equity instruments)	285	353	345
Hedging reserve (cashflow hedges)	- 234	- 507	- 490
Translation differences	- 386	- 468	- 374
Hedge of net investments in foreign operations	168	169	150
Remeasurement of defined benefit plans	470	503	478
Own credit risk through OCI	- 1	0	0
Insurance finance income and expense through OCI after reinsurance	1 950	1 633	1 906

Consolidated cash flow statement

(in millions of EUR)	Note	1H 2025	1H 2024
OPERATING ACTIVITIES			
Result before tax	Cons. income stat.	2 022	1 842
Adjustments for non-cash items in profit & loss		284	1 157
Result before tax from discontinued operations	*Consolidated income statement*	*0*	*0*
Depreciation, impairment and amortisation of property, plant and equipment, intangible fixed assets, investment property and securities	*3.9*	*222*	*213*
Profit/Loss on the disposal of investments	—	*- 36*	*- 14*
Change in impairment on financial assets at AC	*3.9*	*154*	*88*
Change in insurance contract liabilities (before reinsurance)		*- 190*	*- 118*
Change in reinsurance contract assets held		*24*	*41*
Change in other provisions		*- 7*	*- 3*
Other unrealised gains/losses	—	*119*	*952*
Income from associated companies and joint ventures		*- 2*	*- 2*
Cashflows from operating profit before tax and before changes in operating assets and liabilities	—	2 306	2 999
Changes in operating assets (excluding cash and cash equivalents)		-13 422	-9 961
Financial assets at amortised cost (excluding debt securities)	*4.1*	*-10 867*	*-5 330*
Financial assets at fair value through OCI	*4.1*	*-2 921*	*-1 311*
Financial assets at fair value through profit or loss	*4.1*	*373*	*-3 073*
of which financial assets held for trading	*4.1*	*551*	*-1 560*
Hedging derivatives	*4.1*	*44*	*- 49*
Reinsurance assets		*- 29*	*- 53*
Operating assets associated with disposal groups, and other assets	—	*- 22*	*- 146*
Changes in operating liabilities (excluding cash and cash equivalents)		14 774	12 783
Financial liabilities at amortised cost	*4.1*	*12 964*	*12 482*
Financial liabilities at fair value through profit or loss	*4.1*	*904*	*78*
of which financial liabilities held for trading	*4.1*	*787*	*-1 286*
Hedging derivatives	*4.1*	*319*	*- 18*
Insurance contracts liabilities		*500*	*25*
Operating liabilities associated with disposal groups and other liabilities	—	*86*	*217*
Income taxes paid		- 362	- 301
Net cash from or used in operating activities		3 296	5 520
INVESTING ACTIVITIES			
Purchase and proceeds of debt securities at amortised cost	4.1	-1 832	2 623
Acquisition of a subsidiary or a business unit, net of cash acquired (including increases in percentage interest held)		0	0
Proceeds from the disposal of a subsidiary or business unit, net of cash disposed of (including decreases in percentage interest held)		40	0
Purchase of shares in associated companies and joint ventures	—	1	- 5
Proceeds from the disposal of shares in associated companies and joint ventures	—	0	0
Dividends received from associated companies and joint ventures	—	58	0
Purchase and proceeds from the sale of investment property		52	- 89
Purchase and proceeds from the sale of intangible fixed assets (excluding goodwill)		- 159	- 171
Purchase and proceeds from the sale of property, plant and equipment (excluding goodwill)		- 92	- 70
Net cash from or used in investing activities		-1 932	2 289
FINANCING ACTIVITIES			
Purchase or sale of treasury shares	Cons. stat. of changes in equity	0	- 661
Issue or repayment of promissory notes and other debt securities	4.1	-1 507	- 290
Proceeds from or repayment of subordinated liabilities	4.1	- 171	1 609
Proceeds from the issuance of share capital	Cons. stat. of changes in equity	0	0
Issue or call of additional tier-1 instruments	Consolidated statement of changes in equity	996	- 500
Dividends paid	Cons. stat. of changes in equity	-1 249	-1 545
Coupon additional Tier-1 instruments	Cons. stat. of changes in equity	- 46	- 47
Net cash from or used in financing activities		-1 977	-1 435

(in millions of EUR)	Note	1H 2025	1H 2024
CHANGE IN CASH AND CASH EQUIVALENTS			
Net increase or decrease in cash and cash equivalents		- 614	6 374
Cash and cash equivalents at the beginning of the period		61 407	53 961
Effects of exchange rate changes on opening cash and cash equivalents		451	- 365
Cash and cash equivalents at the end of the period		61 244	59 970
ADDITIONAL INFORMATION			
Interest paid	3.1	-5 909	-7 477
Interest received	3.1	8 839	10 225
Dividends received (including equity method)		101	33
COMPONENTS OF CASH AND CASH EQUIVALENTS			
Cash and cash balances with central banks and other demand deposits with credit institutions	Cons. balance sheet	36 039	39 961
Term loans to banks at not more than three months (excl. reverse repos)	4.1	625	592
Reverse repos with credit institutions at not more than three months	4.1	32 804	28 647
Deposits from banks repayable on demand	4.1	-8 223	-9 230
Cash and cash equivalents belonging to disposal groups		0	0
Total		61 244	59 970
of which not available		*0*	*0*

- The net cash from operating activities in 1H 2025 (+3 296 million euros) mainly includes the result before tax, an increase in savings accounts, demand deposits and certificates of deposit, offset by lower time deposits and the increase of mortgage and term loans. The net cash from operating activities in 1H 2024 (+5 520 million euros) mainly includes an increase of deposits from customers, the issuance of certificates of deposit and repos, partly offset by increased loans and advances to customers (mainly term and mortgage loans), reverse repos and repayment of the remaining outstanding amount borrowed under TLTRO III (-2.6 billion euros).
- The net cash from (used in) investing activities in 1H 2025 (-1 932 million euros) mainly includes additional net purchases of debt securities at amortised cost (-1 832 million euros). Net cash from (used in) investing activities in 1H 2024 (+2 289 million euros) mainly includes net proceeds from debt securities at amortised cost (+2 623 million euros).
- The net cash flow from financing activities in 1H 2025 (-1 977 million euros) mainly includes the dividend payment (-1 249 million euros), the repayment of senior holdco (-2 500 million euros) and repayment of other smaller debt securities (-257 million euros), and the repayment of subordinated loans (-171 million euros) partly offset by the issuance of new AT1 instrument (net proceeds 996 million euros) and new senior holdco (1 250 million euros). The net cash flow from financing activities in 1H 2024 (-1 435 million euros) includes the dividend payment (-1 545 million euros), the repayment of Additional Tier-1 instrument (-500 million euros) and the purchase of treasury shares (-661 million euros) offset by the issuance of new Tier-2 instruments (1 billion euros and 500 million British pounds).

Notes the accounting policies

Statement of compliance (note 1.1 in the annual accounts 2024)

The condensed interim financial statements of the KBC Group for the period ended 30 June 2025 have been prepared in accordance with IAS 34, 'Interim financial reporting' . The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with the IFRS Accounting Standards as adopted by the European Union ('endorsed IFRS').

The following IFRS standards were issued but not yet effective in 2025. KBC will apply these standards when they become mandatory.

- IFRS 18 Presentation and Disclosure in Financial Statements, effective as of 2027, mainly limited presentation impact expected
- IFRS 19 Subsidiaries without public accountability, no impact expected.

The IASB published several limited amendments to existing IFRSs and IFRICs. They will be applied when they become mandatory, but their impact is currently estimated to be negligible.

Summary of significant accounting policies (note 1.2 in the annual accounts 2024)

A summary of the main accounting policies is provided in the group's annual accounts as at 31 December 2024.

Main exchange rates used:

	Exchange rate at 30-06-2025		Average exchange rate in 1H 2025	
		Changes relative to 31-12-2024		Changes relative to the average 1H 2024
	1 EUR = …	Positive: appreciation relative to EUR	1 EUR = …	Positive: appreciation relative to EUR
	… currency	Negative: depreciation relative to EUR	… currency	Negative: depreciation relative to EUR
CZK	24.746	2%	24.993	0%
HUF	399.80	3%	403.84	-3%

Notes on segment reporting

Segment reporting according to the management structure of the group (note 2.2 in the annual accounts 2024)

For a description on the management structure and linked reporting presentation, reference is made to note 2.1 in the annual accounts 2024.

(in millions of EUR)	Belgium Business unit	Czech Republic Business unit	International Markets Business unit	*Of which: Hungary*	*Slovakia*	*Bulgaria*	Group Centre	Total
1H 2025								
Net interest income	1 730	684	659	*290*	*143*	*227*	- 143	2 930
Insurance revenues before reinsurance	941	321	292	*109*	*57*	*127*	7	1 561
Non-life	784	269	256	*97*	*45*	*115*	7	1 316
Life	157	53	36	*12*	*12*	*12*	0	246
Dividend income	41	0	0	*0*	*0*	*0*	2	42
Net result from financial instruments at fair value through profit or loss & Insurance finance income and expense (for insurance contracts issued)	- 164	42	26	*19*	*8*	*- 1*	18	- 79
Net fee and commission income	884	182	293	*166*	*46*	*80*	- 1	1 357
Net other income	132	4	12	*4*	*6*	*3*	- 5	143
TOTAL INCOME	3 564	1 234	1 283	*588*	*260*	*435*	- 125	5 955
Operating expenses (excluding opex allocated to insurance service expenses)	-1 452	- 429	- 556	*- 297*	*- 126*	*- 133*	- 81	-2 518
Total Opex without banking and insurance tax	*-1 255*	*- 465*	*- 433*	*- 161*	*- 135*	*- 137*	*- 78*	*-2 232*
Total Banking and insurance tax	*- 356*	*- 21*	*- 185*	*- 166*	*- 6*	*- 14*	*- 4*	*- 566*
Minus: Opex allocated to insurance service expenses	*160*	*57*	*62*	*30*	*14*	*18*	*1*	*280*
Insurance service expenses before reinsurance	- 745	- 246	- 239	*- 95*	*- 49*	*- 95*	- 1	-1 230
Of which insurance commissions paid	- 127	- 43	- 36	*- 7*	*- 7*	*- 22*	0	- 206
Non-Life	*- 650*	*- 218*	*- 216*	*- 89*	*- 39*	*- 88*	*- 1*	*-1 084*
Of which Non-life - Claim related expenses	*- 437*	*- 130*	*- 113*	*- 37*	*- 24*	*- 52*	*1*	*- 679*
Life	*- 95*	*- 28*	*- 23*	*- 7*	*- 9*	*- 7*	*0*	*- 146*
Net result from reinsurance contracts held	- 19	- 3	- 9	*- 2*	*- 2*	*- 4*	8	- 24
Impairment	- 103	- 26	- 38	*- 8*	*- 9*	*- 21*	4	- 162
of which on FA at AC and at fair value through OCI	*- 101*	*- 26*	*- 32*	*- 4*	*- 8*	*- 21*	*4*	*- 155*
Share in results of associated companies and joint ventures	3	- 1	0	0	0	0	0	2
RESULT BEFORE TAX	1 248	528	441	*184*	*74*	*183*	- 194	2 022
Income tax expense	- 360	- 81	- 69	*- 28*	*- 15*	*- 27*	52	- 458
Net post-tax result from discontinued operations	0	0	0	*0*	*0*	*0*	0	0
RESULT AFTER TAX	888	447	372	*157*	*59*	*156*	- 143	1 564
attributable to minority interests	0	0	0	*0*	*0*	*0*	0	0
attributable to equity holders of the parent	**888**	**447**	**372**	***157***	***59***	***156***	**- 143**	**1 564**

(in millions of EUR)	Belgium Business unit	Czech Republic Business unit	International Markets Business unit	*Of which: Hungary*	*Slovakia*	*Bulgaria*	Group Centre	Total
1H 2024								
Net interest income	1 640	639	641	*287*	*137*	*217*	- 171	2 748
Insurance revenues before reinsurance	888	282	264	*102*	*52*	*110*	7	1 441
Non-life	736	233	235	*92*	*42*	*100*	7	1 211
Life	152	49	29	*10*	*10*	*9*	0	230
Dividend income	31	1	0	*0*	*0*	*0*	2	33
Net result from financial instruments at fair value through profit or loss & Insurance finance income and expense (for insurance contracts issued)	- 165	33	40	*35*	*6*	*- 1*	40	- 52
Net fee and commission income	818	168	253	*135*	*42*	*76*	- 2	1 237
Net other income	101	3	15	*6*	*8*	*1*	- 10	109
TOTAL INCOME	3 313	1 125	1 212	*565*	*245*	*402*	- 134	5 516
Operating expenses (excluding opex allocated to insurance service expenses)	-1 344	- 425	- 541	*- 266*	*- 129*	*- 145*	- 72	-2 381
Total Opex without banking and insurance tax	*-1 215*	*- 440*	*- 408*	*- 141*	*- 126*	*- 141*	*- 74*	*-2 137*
Total Banking and insurance tax	*- 285*	*- 38*	*- 199*	*- 161*	*- 17*	*- 21*	*1*	*- 521*
Minus: Opex allocated to insurance service expenses	*156*	*54*	*66*	*36*	*13*	*17*	*1*	*276*
Insurance service expenses before reinsurance	- 704	- 202	- 246	*- 110*	*- 56*	*- 80*	0	-1 152
Of which insurance commissions paid	- 117	- 33	- 32	*- 6*	*- 6*	*- 19*	0	- 181
Non-Life	*- 599*	*- 177*	*- 226*	*- 103*	*- 49*	*- 75*	*0*	*-1 003*
Of which Non-life - Claim related expenses	*- 400*	*- 102*	*- 122*	*- 45*	*- 34*	*- 43*	*1*	*- 623*
Life	*- 104*	*- 25*	*- 20*	*- 7*	*- 7*	*- 6*	*0*	*- 149*
Net result from reinsurance contracts held	- 33	- 10	- 3	*3*	*- 1*	*- 6*	4	- 41
Impairment	- 160	37	17	*8*	*17*	*- 7*	5	- 101
of which on FA at AC and at fair value through OCI	*- 159*	*38*	*28*	*18*	*17*	*- 7*	*5*	*- 88*
Share in results of associated companies and joint ventures	2	0	0	0	0	0	0	2
RESULT BEFORE TAX	1 074	526	440	*199*	*76*	*165*	- 197	1 842
Income tax expense	- 313	- 85	- 70	*- 29*	*- 16*	*- 25*	56	- 412
Net post-tax result from discontinued operations	0	0	0	*0*	*0*	*0*	0	0
RESULT AFTER TAX	761	441	370	*171*	*60*	*140*	- 141	1 431
attributable to minority interests	0	0	0	*0*	*0*	*0*	0	0
attributable to equity holders of the parent	**761**	**441**	**370**	***171***	***60***	***140***	**- 141**	**1 431**

Other notes

Net interest income (note 3.1 in the annual accounts 2024)

(in millions of EUR)	1H 2025	1H 2024	2Q 2025	1Q 2025	2Q 2024
Total	2 930	2 748	1 509	1 421	1 379
Interest income	8 839	10 225	4 418	4 421	5 103
Interest income on financial instruments calculated using the effective interest rate method					
Financial assets at AC	4 747	4 963	2 405	2 343	2 479
Financial assets at FVOCI	348	225	189	159	123
Hedging derivatives	2 588	3 112	1 283	1 305	1 553
Financial liabilities (negative interest)	1	4	1	1	2
Other	571	917	273	298	416
Interest income on other financial instruments					
Financial assets MFVPL other than held for trading	44	33	23	20	17
Financial assets held for trading	541	972	245	296	513
Of which economic hedges	*438*	*879*	*192*	*246*	*464*
Other financial assets at FVPL	0	0	0	0	0
Interest expense	-5 909	-7 477	-2 909	-3 000	-3 724
Interest expense on financial instruments calculated using the effective interest rate method					
Financial liabilities at AC	-2 882	-3 430	-1 437	-1 444	-1 679
Financial assets (negative interest)	- 1	- 1	0	- 1	0
Hedging derivatives	-2 568	-3 056	-1 278	-1 290	-1 533
Other	- 3	- 2	- 1	- 1	- 1
Interest expense on other financial instruments					
Financial liabilities held for trading	- 441	- 954	- 184	- 256	- 495
Of which economic hedges	*- 421*	*- 928*	*- 174*	*- 247*	*- 483*
Other financial liabilities at FVPL	- 20	- 36	- 10	- 10	- 17
Net interest expense relating to defined benefit plans	4	2	2	2	1

The interest income on financial instruments calculated using the effective interest rate method – other, is mainly related to interest income on cash balances with central banks. These cash and cash balances are mainly funded with short term liabilities, such as certificates of deposit and repos. The interest expense related to this funding is part of interest expense on financial liabilities at AC. Net interest margin on this activity is narrow, resulting in limited net interest income.

The impact on net interest income of central banks' Minimum Reserve Requirements (MRR) (and their remuneration on these deposits) was about -44 million euros in 2Q 2025, compared to -43 million euros in 1Q 2025 and -51 million euros in 2Q 2024.

Net result from financial instruments at fair value through profit or loss and Insurance finance income and expense (for insurance contracts issued) (note 3.3 in the annual accounts 2024)

(in millions of EUR)	1H 2025	1H 2024	2Q 2025	1Q 2025	2Q 2024
Total	- 79	- 52	- 34	- 45	3
Breakdown by driver					
Dealing room income	137	164	60	77	62
MTM ALM derivatives and other	- 81	- 102	- 27	- 55	0
Market value adjustments (xVA)	- 1	6	0	- 1	1
Result on investment backing UL contracts - under IFRS 17 & Insurance finance income and expense	- 133	- 120	- 67	- 67	- 60

The result from financial instruments at fair value through profit or loss and Insurance finance income and expenses in 2Q 2025 is 11 million euros less negative compared to 1Q 2025.

The quarter-on-quarter evolution is explained as follows:

- Less negative MTM ALM derivatives and other income in 2Q 2025 compared to 1Q 2025
- Zero impact from market value adjustments (xVA) in 2Q 2025 compared to slightly negative impact in 1Q 2025

Partly offset by

- Lower dealing room income in 2Q 2025 mainly in Belgium

The result from financial instruments at fair value through profit or loss and Insurance finance income and expenses in 1H 2025 is 27 million euros more negative compared to 1H 2024.

The year-on-year evolution is for a large part explained by:

- Lower dealing room income mainly in Belgium
- Slightly negative impact from market value adjustments (xVA) in 1H 2025 compared to positive impact in 1H 2024
- More negative result on investments backing unit-linked contracts under IFRS 17 & Insurance Finance Income and Expense in 1H 2025 compared to 1H 2024, due to increased interest accretion

Partly compensated by

- Less negative MTM ALM derivatives and other income in 1H 2025 compared to 1H 2024

Net fee and commission income (note 3.4 in the annual accounts 2024)

(in millions of EUR)	1H 2025	1H 2024	2Q 2025	1Q 2025	2Q 2024
Total	1 357	1 237	667	690	623
Fee and commission income	1 697	1 563	844	854	789
Fee and commission expense	- 341	- 326	- 177	- 164	- 166
Breakdown by type					
Asset Management Services	743	683	364	379	344
Fee and commission income	*765*	*713*	*374*	*391*	*360*
Fee and commission expense	*- 23*	*- 31*	*- 11*	*- 12*	*- 16*
Banking Services	589	527	291	298	267
Fee and commission income	*904*	*820*	*456*	*448*	*416*
Fee and commission expense	*- 315*	*- 292*	*- 165*	*- 150*	*- 149*
Other	25	27	13	13	12
Fee and commission income	*28*	*30*	*14*	*15*	*13*
Fee and commission expense	*- 3*	*- 3*	*- 1*	*- 2*	*- 1*

- Asset Management Services include management fees, entry fees and distribution fees on mutual funds and unit-linked life products (under IFRS 9).
- Banking Services include credit- and guarantee related fees, payment service fees, network income, securities related fees, distribution fees banking products and other banking services.
- The distribution commissions paid regarding insurance contracts (life and non-life under IFRS 17) are presented in the income statement as Insurance Service Expenses (for more information, see note 3.7).
- The line Other includes distribution fees from third party insurance companies (not under IFRS 17) and platformication revenues

Net other income (note 3.5 in the annual accounts 2024)

(in millions of EUR)	1H 2025	1H 2024	2Q 2025	1Q 2025	2Q 2024
Total	143	109	77	67	51
of which gains or losses on					
Sale of financial assets measured at amortised cost	- 16	- 19	- 7	- 9	- 9
Sale of debt securities at FVOCI	2	0	0	2	0
Repurchase of financial liabilities measured at amortised cost	0	0	0	0	0
of which other, including:	158	128	84	74	60
Income from operational leasing activities	67	58	36	32	30
Income from VAB Group	28	22	14	14	9

In 1H 2025: special items:

- Net other income is higher than the normal run rate of 50 million euros per quarter both in 1Q and 2Q 2025 due mainly to higher-than-average gains on the sale of real estate.

In 1H 2024: no special items

Breakdown of the insurance results (note 3.6 in the annual accounts 2024)

The table below includes intragroup transactions between bank and insurance entities (the results for insurance contracts concluded between the group's bank and insurance entities, interest that insurance companies receive on their deposits with bank entities, distribution commissions intra-group…) in order to give a more accurate view of the profitability of the insurance business.

(in millions of EUR)	Life	*of which life direct participating (VFA)*	Non-life	Non-technical	Total
1H 2025					
Insurance service result	**100**	***7***	**236**	**—**	**335**
Insurance revenues before reinsurance	*246*	*14*	*1 321*	*—*	*1 567*
Insurance service expenses	*- 146*	*- 8*	*- 1 085*	*—*	*- 1 231*
Of which Non-life - Claim related expenses	*—*	*—*	*- 680*	*—*	*- 680*
Investment result and insurance finance income and expenses	**69**	***0***	**32**	***8***	***109***
Investment result	**185**	***7***	**56**	***8***	***250***
Net interest income	*166*	*0*	*54*	*4*	*224*
Dividend income	*13*	*0*	*2*	*3*	*18*
Net result from financial instruments at fair value through P&L	*5*	*7*	*0*	*1*	*6*
Net other income	*1*	*0*	*1*	*0*	*3*
Impairment	*0*	*0*	*0*	*0*	*0*
Total insurance finance income and expenses before reinsurance	**- 116**	***- 7***	***- 24***	**—**	**- 141**
Interest accretion	*- 109*	*—*	*- 25*	*—*	*- 134*
Effect of changes in financial assumptions and foreign exchange differences	*0*	*0*	*0*	*—*	*0*
Changes in fair value re. liabilities of IFRS 17 unit linked contracts	*- 7*	*- 7*	*—*	*—*	*- 7*
Net insurance and investment result before reinsurance	**168**	***7***	***268***	**8**	**444**
Net result from reinsurance contracts held	**- 1**	**—**	**- 23**	**—**	**- 24**
Premiums paid to the reinsurer	*- 18*	*—*	*- 52*	*—*	*- 70*
Commissions received	*0*	*—*	*5*	*—*	*5*
Amounts recoverable from reinsurer	*17*	*—*	*26*	*—*	*42*
Total (ceded) reinsurance finance income and expense	*0*	*—*	*0*	*—*	*- 1*
Net insurance and investment result after reinsurance	**167**	***7***	**245**	**8**	**420**
Non-directly attributable income and expenses	**14**	***- 1***	**- 28**	**10**	**- 4**
Net fee and commission income	*41*	*0*	*- 1*	*15*	*56*
Net other income	*—*	*—*	*—*	*45*	*45*
Operating expenses (incl. banking and insurance tax)	*- 27*	*- 1*	*- 27*	*- 49*	*- 104*
Impairment - Other	*0*	*0*	*0*	*- 1*	*- 1*
Share in results of assoc. comp & joint-ventures	*—*	*—*	*—*	*0*	*0*
Income tax	**—**	**—**	**—**	**- 96**	**- 96**
Result after tax	**181**	***6***	**217**	**- 78**	***320***
Attributable to minority interest	*—*	*—*	*—*	*—*	*0*
Attributable to equity holders of the parent	**—**	**—**	**—**	**—**	***320***

(in millions of EUR)	Life	*of which life direct participating (VFA)*	Non-life	Non-technical	Total
1H 2024					
Insurance service result	**81**	***5***	**212**	**—**	**293**
Insurance revenues before reinsurance	*230*	*12*	1 216	—	1 446
Insurance service expenses	*- 149*	*- 7*	*- 1 004*	—	*- 1 153*
Of which Non-life - Claim related expenses	—	—	*- 624*	—	*- 624*
Investment result and insurance finance income and expenses	**80**	***2***	**27**	***3***	***110***
Investment result on assets	**228**	***50***	**49**	**3**	**280**
Net interest income	*161*	*0*	44	0	205
Dividend income	*14*	*0*	2	3	19
Net result from financial instruments at fair value through P&L	*51*	*50*	0	0	52
Net other income	*2*	*0*	1	1	4
Impairment	*1*	*0*	0	0	1
Total insurance finance income and expenses before reinsurance	**- 149**	***- 49***	**- 21**	**—**	**- 170**
Interest accretion	*- 100*	—	- 22	—	- 121
Effect of changes in financial assumptions and foreign exchange differences	*- 1*	*0*	1	—	0
Changes in fair value re. liabilities of IFRS 17 unit linked contracts	*- 49*	*- 49*	—	—	- 49
Net insurance and investment result before reinsurance	**161**	***7***	**239**	**3**	**403**
Net result from reinsurance contracts held	**- 3**	**—**	**- 38**	**—**	**- 41**
Premiums paid to the reinsurer	*- 19*	—	- 57	—	- 76
Commissions received	*4*	—	5	—	9
Amounts recoverable from reinsurer	*12*	—	15	—	27
Total (ceded) reinsurance finance income and expenses	*0*	—	- 1	—	- 1
Net insurance and investment result after reinsurance	**157**	***7***	**201**	**3**	**361**
Non-directly attributable income and expenses	**11**	***- 1***	**- 25**	**8**	**- 6**
Net fee and commission income	*37*	*0*	- 1	17	53
Net other income	—	—	—	36	36
Operating expenses (incl. banking and insurance tax)	*- 26*	*- 1*	- 24	- 45	- 95
Impairment - Other	*0*	*0*	0	0	0
Share in results of assoc. comp & joint-ventures	—	—	—	0	0
Income tax	**—**	**—**	**—**	**- 83**	**- 83**
Result after tax	**168**	***6***	**176**	**- 72**	**272**
Attributable to minority interest	—	—	—	—	0
Attributable to equity holders of the parent	**—**	**—**	**—**	**—**	**272**

The non-technical account includes also results of non-insurance companies such as VAB group and ADD.

The column 'of which life direct participating (VFA)' relates to results of long-term unit-linked contracts in Central and Eastern Europe.

Total insurance finance income and expenses before reinsurance includes changes in fair value of underlying assets of contracts measured under VFA, which represents the fair value movement of unit-linked liabilities, valued under IFRS 17 (variable fee approach), with the offsetting impact in fair value movement of underlying unit-linked assets in net result from financial instruments at fair value through profit or loss (see also note 3.3, result on investment backing UL contracts - under IFRS 17).

Amounts recoverable from reinsurer for Life also contains profit sharing (if any).

Operating expenses – income statement (note 3.7 in the annual accounts 2024)

The total Operating expenses by nature include also Opex allocated to insurance service expenses (directly attributable from insurance) in order to provide a comprehensive overview of the total cost evolution.

(in millions of EUR)	1H 2025	1H 2024	2Q 2025	1Q 2025	2Q 2024
Total Operating expenses by nature	**-2 798**	**-2 658**	**-1 152**	**-1 646**	**-1 076**
Staff Expenses	-1 394	-1 342	- 704	- 690	- 679
General administrative expenses	-1 206	-1 131	- 349	- 857	- 305
ICT Expenses	*- 316*	*- 296*	*- 162*	*- 154*	*- 151*
Facility Expenses	*- 120*	*- 119*	*- 60*	*- 60*	*- 59*
Marketing & communication expenses	*- 42*	*- 42*	*- 24*	*- 18*	*- 23*
Professional fees	*- 65*	*- 65*	*- 34*	*- 31*	*- 33*
Bank and insurance tax	*- 566*	*- 521*	*- 27*	*- 539*	*- 2*
Other	*- 98*	*- 88*	*- 43*	*- 55*	*- 36*
Depreciation and amortisation of fixed assets	- 198	- 185	- 99	- 99	- 93

- The operating expenses for 2Q 2025 include -27 million euros related to bank and insurance levies (-539 million euros in 1Q 2025, -2 million euros in 2Q 2024).
- Application of IFRIC 21 (Levies) has as a consequence that the majority of the levies are taken upfront in expense of the first quarter of the year.
- The increase of bank and insurance tax in 1H 2025 compared to 1H 2024 is primarily driven by higher Deposit Guarantee Fund contribution in Belgium (following increased amount of covered deposits), only partly compensated by lower Deposit Guarantee Fund contribution in Bulgaria, lower Resolution Fund contribution in Czech Republic and lower national taxes mainly in Slovakia.

Impairment – income statement (note 3.9 in the annual accounts 2024)

(in millions of EUR)	1H 2025	1H 2024	2Q 2025	1Q 2025	2Q 2024
Total	**- 162**	**- 101**	**- 124**	**- 38**	**- 85**
Impairment on financial assets at AC and at FVOCI	- 155	- 88	- 116	- 38	- 72
By IFRS category					
Impairment on financial assets at AC	*- 154*	*- 88*	*- 116*	*- 38*	*- 72*
Impairment on financial assets at FVOCI	*- 1*	*0*	*- 1*	*0*	*0*
By product					
Loans and advances	*- 149*	*- 89*	*- 108*	*- 41*	*- 73*
Debt securities	*- 2*	*0*	*- 2*	*0*	*1*
Off-balance-sheet commitments and financial guarantees	*- 4*	*1*	*- 7*	*3*	*1*
By type					
Stage 1 (12-month ECL)	*- 33*	*- 13*	*- 28*	*- 5*	*23*
Stage 2 (lifetime ECL)	*7*	*51*	*- 39*	*46*	*- 44*
Stage 3 (non-performing; lifetime ECL)	*- 111*	*- 102*	*- 49*	*- 62*	*- 48*
Purchased or originated credit impaired assets	*- 19*	*- 25*	*- 1*	*- 18*	*- 2*
By division/country					
Belgium	*- 101*	*- 159*	*- 77*	*- 24*	*- 122*
Czech Republic	*- 26*	*38*	*- 12*	*- 14*	*41*
International Markets	*- 32*	*28*	*- 28*	*- 4*	*9*
Slovakia	*- 8*	*17*	*- 10*	*2*	*6*
Hungary	*- 4*	*18*	*- 3*	*0*	*8*
Bulgaria	*- 21*	*- 7*	*- 15*	*- 6*	*- 5*
Group Centre	*4*	*5*	*1*	*3*	*1*
Impairment on goodwill	0	0	0	0	0
Impairment on other	- 8	- 13	- 8	0	- 13
Intangible fixed assets (other than goodwill)	- 2	- 8	- 2	0	- 8
Property, plant and equipment (including investment property)	0	0	0	0	0
Associated companies and joint ventures	0	0	0	0	0
Other	- 6	- 5	- 6	0	- 5

- The impairment on financial assets at AC and at FVOCI in 1H 2025 include:
  - A net impairment release of 5 million euros for the geopolitical and macroeconomic uncertainties (of which 45 million euros release in 1Q 2025 and 40 million charge in 2Q 2025, the latter mainly related to the inclusion of a stressed scenario based on recent uncertainties), compared to 13 million euros net release in 1H 2024 (of which 27 million euros release in 1Q 2024 and 14 million euros charge in 1Q 2024).

    The outstanding balance of ECL for the geopolitical and macroeconomic uncertainties amounts to 112 million euros at the end of 2Q 2025. As a reminder, this is determined based on individual counterparties and sectors deemed to have incurred an increase in credit risk because they are either exposed to macroeconomic risks (e.g. high(er) inflation, high(er) interest rates, high(er) energy prices, …) or indirectly exposed to military conflicts, such as the one in Ukraine.
  - Additionally, the impairments on financial assets at AC and at FVOCI in 1H 2025 include 159 million euros net charge (76 million euros in 2Q 2025 and 83 million euros in 1Q 2025; for a large part in stage 3 mainly for a limited number of large corporate files in the business units Belgium and Czech Republic and in Bulgaria), compared to 101 million euros in 1H 2024 (58 million euros in 2Q 2024 and 43 million euros in 1Q 2024; largely in stage 3 mainly for two large corporate files in the foreign branches in business unit Belgium). The impairments on financial assets at AC and at FVOCI in 1Q 2025 include 41 million euros additional impairments reducing the backstop shortfall for old non-performing loans in Belgium.

- The impairments on intangible assets (other than goodwill) in 1H 2025 (-2 million euros) are related to software impairments in Belgium and Slovakia. The impairments on intangible assets (other than goodwill) in 1H 2024 (-8 million euros, booked in 2Q 2024) are related to software impairments in Hungary and Belgium.
- The impairment on other (Other) in 1H 2025 (-6 million euros, booked in 2Q 2025) and in 1H 2024 (-5 million euros, booked in 2Q 2024) are mainly related to modification losses, following the extension of the interest cap regulation for mortgages in Hungary.

Financial assets and liabilities: breakdown by portfolio and product (note 4.1 in the annual accounts 2024)

(in millions of EUR)	Measured at amortised cost (AC)	Measured at fair value through other comprehensive income (FVOCI)	Mandatorily measured at fair value through profit or loss (MFVPL) excl. HFT	Held for trading (HFT)	Designated at fair value (FVO)	Hedging derivatives	Total
FINANCIAL ASSETS, 30-06-2025							
Loans and advances to credit institutions (excl. reverse repos)	2 897	0	0	1	0	0	2 897
of which repayable on demand and term loans at not more than three months							*625*
Loans and advances to customers (excl. reverse repos)	200 962	0	1 068	0	0	0	202 031
Trade receivables	*2 901*	*0*	*0*	*0*	*0*	*0*	*2 901*
Consumer credit	*6 905*	*0*	*710*	*0*	*0*	*0*	*7 615*
Mortgage loans	*80 751*	*0*	*358*	*0*	*0*	*0*	*81 109*
Term loans	*95 820*	*0*	*0*	*0*	*0*	*0*	*95 820*
Finance lease	*8 108*	*0*	*0*	*0*	*0*	*0*	*8 108*
Current account advances	*5 573*	*0*	*0*	*0*	*0*	*0*	*5 573*
Other	*905*	*0*	*0*	*0*	*0*	*0*	*905*
Reverse repos	34 259	0	0	575	0	0	34 834
with credit institutions	*33 245*	*0*	*0*	*575*	*0*	*0*	*33 820*
with customers	*1 014*	*0*	*0*	*0*	*0*	*0*	*1 014*
Equity instruments	0	1 692	10	983	0	0	2 684
Unit linked investments (insurance)	0	0	16 692	0	0	0	16 692
Debt securities issued by	52 185	25 573	82	4 966	0	0	82 806
Public bodies	*44 798*	*21 252*	*0*	*3 506*	*0*	*0*	*69 556*
Credit institutions	*5 397*	*2 566*	*0*	*1 413*	*0*	*0*	*9 376*
Corporates	*1 991*	*1 755*	*82*	*46*	*0*	*0*	*3 874*
Derivatives	0	0	0	4 009	0	228	4 237
Other	1 089	0	0	0	0	0	1 089
Total	291 393	27 265	17 852	10 533	0	228	347 271
FINANCIAL ASSETS, 31-12-2024							
Loans and advances to credit institutions (excl. reverse repos)	2 438	0	0	1	0	0	2 439
of which repayable on demand and term loans at not more than three months							*225*
Loans and advances to customers (excl. reverse repos)	191 124	0	943	0	0	0	192 067
Trade receivables	*2 887*	*0*	*0*	*0*	*0*	*0*	*2 887*
Consumer credit	*6 316*	*0*	*633*	*0*	*0*	*0*	*6 949*
Mortgage loans	*77 750*	*0*	*309*	*0*	*0*	*0*	*78 059*
Term loans	*90 754*	*0*	*1*	*0*	*0*	*0*	*90 755*
Finance lease	*7 919*	*0*	*0*	*0*	*0*	*0*	*7 919*
Current account advances	*4 790*	*0*	*0*	*0*	*0*	*0*	*4 790*
Other	*708*	*0*	*0*	*0*	*0*	*0*	*708*
Reverse repos	21 083	0	0	0	0	0	21 083
with credit institutions	*20 922*	*0*	*0*	*0*	*0*	*0*	*20 922*
with customers	*162*	*0*	*0*	*0*	*0*	*0*	*162*
Equity instruments	0	1 722	10	902	0	0	2 633
Unit linked investments (insurance)	0	0	16 602	0	0	0	16 602
Debt securities issued by	50 075	22 539	70	5 021	0	0	77 705
Public bodies	*41 955*	*18 165*	*0*	*3 360*	*0*	*0*	*63 480*
Credit institutions	*5 982*	*2 510*	*0*	*1 593*	*0*	*0*	*10 085*
Corporates	*2 139*	*1 864*	*70*	*68*	*0*	*0*	*4 140*
Derivatives	0	0	0	4 584	0	271	4 856
Other	1 154	0	0	0	0	0	1 154
Total	265 875	24 261	17 624	10 509	0	271	318 540

(in millions of EUR)	Measured at amortised cost (AC)	Held for trading (HFT)	Designated at fair value (FVO)	Hedging derivatives	Total
FINANCIAL LIABILITIES, 30-06-2025					
Deposits from credit institutions (excl. repos)	14 380	0	0	0	14 380
of which repayable on demand					*8 223*
Deposits from customers and debt securities (excl. repos)	283 788	27	1 047	0	284 861
Demand deposits	*115 885*	*0*	*0*	*0*	*115 885*
Time deposits	*39 084*	*27*	*208*	*0*	*39 319*
Savings accounts	*80 164*	*0*	*0*	*0*	*80 164*
Savings certificates	*1 258*	*0*	*0*	*0*	*1 258*
Subtotal, customer deposits	*236 391*	*27*	*208*	*0*	*236 626*
Certificates of deposit	*21 821*	*0*	*6*	*0*	*21 827*
Non-convertible bonds	*22 719*	*0*	*834*	*0*	*23 552*
Non-convertible subordinated liabilities	*2 857*	*0*	*0*	*0*	*2 857*
Repos	19 949	165	0	0	20 114
with credit institutions	*13 482*	*42*	*0*	*0*	*13 524*
with customers	*6 468*	*123*	*0*	*0*	*6 590*
Liabilities under investment contracts	27	0	15 730	0	15 757
Derivatives	0	5 383	0	308	5 691
Short positions	0	889	0	0	889
In equity instruments	*0*	*7*	*0*	*0*	*7*
In debt securities	*0*	*882*	*0*	*0*	*882*
Other	2 401	0	0	0	2 401
Total	320 545	6 464	16 777	308	344 094
FINANCIAL LIABILITIES, 31-12-2024					
Deposits from credit institutions (excl. repos)	12 852	0	0	0	12 852
of which repayable on demand					*6 456*
Deposits from customers and debt securities (excl. repos)	270 030	22	1 035	0	271 087
Demand deposits	*110 090*	*0*	*0*	*0*	*110 090*
Time deposits	*42 781*	*22*	*163*	*0*	*42 966*
Savings accounts	*74 440*	*0*	*0*	*0*	*74 440*
Savings certificates	*1 250*	*0*	*0*	*0*	*1 250*
Subtotal, customer deposits	*228 562*	*22*	*163*	*0*	*228 747*
Certificates of deposit	*14 376*	*0*	*5*	*0*	*14 382*
Non-convertible bonds	*24 185*	*0*	*745*	*0*	*24 930*
Non-convertible subordinated liabilities	*2 907*	*0*	*121*	*0*	*3 028*
Repos	20 985	94	0	0	21 079
with credit institutions	*18 587*	*94*	*0*	*0*	*18 681*
with customers	*2 398*	*0*	*0*	*0*	*2 398*
Liabilities under investment contracts	27	0	15 644	0	15 671
Derivatives	0	4 679	0	316	4 995
Short positions	0	882	0	0	882
In equity instruments	*0*	*9*	*0*	*0*	*9*
In debt securities	*0*	*872*	*0*	*0*	*872*
Other	2 157	0	0	0	2 157
Total	306 050	5 677	16 680	316	328 723

Impaired financial assets (note 4.2.1 in the annual accounts 2024)

(in millions of EUR)	Carrying value before impairment	Impairment	Carrying value after impairment
30-06-2025			
FINANCIAL ASSETS AT AMORTISED COST			
Loans and advances *	240 598	- 2 480	238 118
Stage 1 (12-month ECL)	219 912	- 198	219 714
Stage 2 (lifetime ECL)	16 858	- 323	16 534
Stage 3 (lifetime ECL)	3 284	- 1 803	1 482
Purchased or originated credit impaired assets (POCI)	544	- 156	388
Debt Securities	52 195	- 10	52 185
Stage 1 (12-month ECL)	52 114	- 7	52 107
Stage 2 (lifetime ECL)	76	- 1	76
Stage 3 (lifetime ECL)	5	- 2	3
Purchased or originated credit impaired assets (POCI)	0	0	0
FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI			
Debt Securities	25 578	- 5	25 573
Stage 1 (12-month ECL)	25 563	- 5	25 558
Stage 2 (lifetime ECL)	15	0	15
Stage 3 (lifetime ECL)	0	0	0
Purchased or originated credit impaired assets (POCI)	0	0	0
31-12-2024			
FINANCIAL ASSETS AT AMORTISED COST			
Loans and advances *	217 093	- 2 448	214 645
Stage 1 (12-month ECL)	197 031	- 176	196 855
Stage 2 (lifetime ECL)	16 177	- 331	15 847
Stage 3 (lifetime ECL)	3 472	- 1 803	1 669
Purchased or originated credit impaired assets (POCI)	414	- 138	276
Debt Securities	50 084	- 8	50 075
Stage 1 (12-month ECL)	49 979	- 6	49 973
Stage 2 (lifetime ECL)	100	- 1	99
Stage 3 (lifetime ECL)	5	- 2	3
Purchased or originated credit impaired assets (POCI)	0	0	0
FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI			
Debt Securities	22 543	- 4	22 539
Stage 1 (12-month ECL)	22 543	- 4	22 539
Stage 2 (lifetime ECL)	0	0	0
Stage 3 (lifetime ECL)	0	0	0
Purchased or originated credit impaired assets (POCI)	0	0	0

(*) The carrying value after impairment in this note is equal to the sum of the lines Loans and advances to credit institutions (excl. reverse repos), Loans and advances to customers (excl. reverse repos) and Reverse repos in note 4.1 (in the column Measured at amortised cost)

Financial assets and liabilities not measured at fair value – fair value (note 4.4 in the annual accounts 2024)

- The negative difference between the fair value and the carrying value of the debt securities at amortised cost has decreased from -1.9 billion euros at 31 December 2024 to -1.5 billion euros at 30 June 2025, mainly due to a slight decrease of short and mid-term interest rates and the unwinding effect. The difference between the fair value and the carrying value of the remaining financial assets at amortised cost has remained roughly stable. As a hold-to-collect business model is applied on assets at amortised cost, interim changes in fair value are less relevant.
- The difference between the fair value and the carrying value of the total financial liabilities at amortised cost has remained stable (at 0.0 billion euros) from 31 December 2024 to 30 June 2025. Note that the fair value of demand and savings deposits is presumed to be equal to their carrying value.

Financial assets and liabilities measured at fair value – fair value hierarchy (note 4.5 in the annual accounts 2024)

For more details on how KBC defines and determines (i) fair value and the fair value hierarchy and (ii) level 3 valuations reference is made to notes 4.4 up to and including 4.7 of the annual accounts 2024.

(in millions of EUR)				30-06-2025				31-12-2024
Fair value hierarchy	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS AT FAIR VALUE								
Mandatorily measured at fair value through profit or loss (other than held for trading)	16 623	82	1 147	17 852	16 539	75	1 009	17 624
Held for trading	3 722	5 780	1 032	10 533	3 354	6 097	1 057	10 509
Designated at fair value	0	0	0	0	0	0	0	0
At fair value through OCI	24 585	2 019	661	27 265	21 410	2 200	651	24 261
Hedging derivatives	0	228	0	228	0	271	0	271
Total	44 930	8 109	2 840	55 878	41 303	8 644	2 717	52 665
FINANCIAL LIABILITIES AT FAIR VALUE								
Held for trading	890	4 069	1 505	6 464	883	3 388	1 406	5 677
Designated at fair value	15 730	251	795	16 777	15 644	186	850	16 680
Hedging derivatives	0	260	47	308	0	265	51	316
Total	16 620	4 581	2 347	23 549	16 527	3 838	2 307	22 673

Financial assets and liabilities measured at fair value – transfers between level 1 and 2 (note 4.6 in the annual accounts 2024)

During 1H 2025, KBC transferred about 525 million euros worth of financial assets and liabilities out of level 1 and into level 2. It also reclassified approximately 382 million euros worth of financial assets and liabilities from level 2 to level 1. Most of these reclassifications were carried out due to a change in the liquidity of government and corporate bonds.

Financial assets and liabilities measured at fair value – focus on level 3 (note 4.7 in the annual accounts 2024)

In 1H 2025 significant movements in financial assets and liabilities classified in level 3 of the fair value hierarchy included the following:

- Financial assets measured at fair value through profit and loss: the fair value of loans and advances increased by 125 million euros, mostly due to new transactions.
- Financial assets held for trading: the fair value of derivatives decreased by 26 million euros, primarily due to changes in market parameters and new acquisitions, almost fully offset by sales of existing positions.
- Financial assets measured at fair value through other comprehensive income: the fair value of equity instruments increased by 15 million euros, mostly due to acquisitions, partly offset by changes in market parameters.
- Financial liabilities held for trading: the fair value of derivatives increased by 98 million euros, mostly due to changes in market parameters and new transactions, partly offset by sales of existing positions.
- Financial liabilities designated at fair value: the fair value of debt securities issued decreased by 54 million euros, primarily due to deals that reached maturity, sales of existing positions and changes in market parameters, only partially offset by new transactions.

Insurance contract liabilities (note 5.6 in the annual accounts 2024)

The Contractual Service Margin (CSM) as included in the insurance contract liabilities, evolved from 2 276 million euros at the end of 2024 to 2 334 million euros at 30 June 2025, or an increase of 58 million euros. This increase is mainly explained by CSM of new business (+119 million euros) which was higher compared to the CSM release in the income statement (-82 million euros), reinforced by positive interest accretion (time value) on the CSM (+13 million euros).

Parent shareholders' equity and AT1 instruments (note 5.10 in the annual accounts 2024)

Quantities	30-06-2025	31-12-2024
Ordinary shares	417 544 151	417 544 151
of which ordinary shares that entitle the holder to a dividend payment	*396 563 328*	*396 563 328*
of which treasury shares	*20 980 825*	*20 980 825*
Additional information		
Par value per share (in EUR)	3.51	3.51
Number of shares issued but not fully paid up	0	0

- The ordinary shares of KBC Group NV have no nominal value and are quoted on Euronext Brussels.
- The treasury shares almost entirely relate to shares bought in the share buyback programme.
- In May 2025, KBC Group NV issued Additional Tier-1 securities for 1 billion euros (perpetual with a first call date after 5 years; temporary write-down trigger should the common equity ratio fall below 5.125%; initial coupon of 6.0% per year payable every six months). Note that the first call date of the 364 million still outstanding of the AT1 securities issued in April 2018 is October 2025.

Main changes in the scope of consolidation, incl. expected changes (note 6.6 in the annual accounts 2024)

- On 30 April 2024, KBC Bank Ireland returned its banking license to the Central Bank of Ireland and subsequently has been renamed as Exicon. The expected closing of the liquidation process in 3Q 2025 has lead to a tax benefit (deferred income tax) in P&L of 318 million euros in 4Q 2024. Exicon is no longer fully consolidated since 1 January 2025 because of immateriality.
- KBC reached an agreement to acquire 98.45% of 365.bank, expanding its presence in Slovakia and Central and Eastern Europe:
  - 365.bank, a commercial bank in Slovakia, holds a 3.7% market share by assets as of December 2024 with a notable strength in retail banking. The combination of ČSOB in and 365.bank will establish a strong banking group in Slovakia, whereby 365.bank's unique distribution model, supported by its long-standing partnership with Slovak Post, will allow KBC to significantly expand ČSOB's customers reach across Slovakia. The acquisition of 365.bank will boost the scale of mainly retail operations, commanding (as of December 2024) an approximately 20% market share in both net retail loans and mortgages. Based on the group bank-insurance model, other entities of the ČSOB Financial Group, will also benefit from the acquisition through the cross-selling of products and services to 365.bank's retail customer base.
  - The transaction will be paid in cash, based on a total value for 365.bank of EUR 761 million. The transaction price represents a 1.4x multiple of the December 2024 book value of 365.bank and a 9.4x P/E based on the average net profit of 365.bank from 2022 to 2024. The transaction price is subject to limited closing adjustments. This transaction price accurately reflects the quality of 365.bank, including its client base, employee professionalism, profitability, and potential synergies. The acquisition will have a limited impact on KBC's capital position (approximately -50 basis points on KBC's unfloored fully loaded CET-1 ratio) upon closing, which remains very solid keeping KBC's CET1 ratio well above regulatory minimum capital
  - Closure of the deal is subject to regulatory approval and is expected by the end of this year.

  For more information, please refer to a separate press release and investor presentation on our website www.kbc.com, published on 15 May 2025. No new information is available as of this date, awaiting the closing of the transaction.

Post-balance sheet events (note 6.8 in the annual accounts 2024)

Significant non-adjusting events between the balance sheet date (30 June 2025) and the publication of this report (7 August 2025):

- In line with our general dividend policy, the Board of Directors decided on the 6th of August 2025 to pay out an interim dividend of 1 euro per share in November 2025 as an advance on the total dividend for financial year 2025.

KPMG

Statutory auditor's report to the board of directors of KBC Group NV on the review of the condensed consolidated interim financial information as at 30 June 2025 and for the six-month period then ended

Introduction

We have reviewed the accompanying consolidated balance sheet of KBC Group NV as at 30 June 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the six-month period then ended, and notes to the accounting policies, notes on segment reporting and other notes ("the condensed consolidated interim financial information"). The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on the condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2025 and for the six-month period then ended is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union.

Zaventem, 6 August 2025

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
Statutory Auditor
represented by

Kenneth Vermeire
Bedrijfsrevisor /
Réviseur d'Entreprises

Stéphane Nolf
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BTW - TVA BE 0419.122.548
RPR Brussel - RPM Bruxelles
IBAN : BE 95 0018 4771 0356
BIC : GEBABEBB

KBC Group

Additional Information

2Q 2025 and 1H 2025

Section not reviewed by the Auditor

Credit risk

Snapshot of the loan portfolio (banking activities)

The main source of credit risk is the loan portfolio of the bank. It includes all the loans and guarantees that KBC has granted to individuals, companies, governments and banks. Debt securities in the investment portfolio are included if they are issued by companies or banks. Government bonds are not included. The loan portfolio as defined in this section differs from 'Loans and advances to customers' in Note 4.1 of the 'Consolidated financial statements' section of the annual accounts 2024. For more information, please refer to 'Details of ratios and terms on KBC Group level'.

A snapshot of the banking portfolio is shown in the table below. Further on in this chapter, extensive information is provided on the credit portfolio of each business unit.

Credit risk: loan portfolio overview	30-06-2025	31-12-2024
Total loan portfolio (in billions of EUR)[1]		
Amount outstanding and undrawn	271	263
Amount outstanding	221	211
Loan portfolio breakdown by business unit (as a % of the outstanding portfolio)		
Belgium	63.8%	64.5%
Czech Republic	20.0%	19.4%
International Markets	15.7%	15.6%
Group Centre [2]	0.4%	0.5%
Loan portfolio breakdown by counterparty sector (as a % of the outstanding portfolio)		
Private individuals	40.6%	40.8%
Finance and insurance	5.4%	5.3%
Governments	3.4%	2.9%
Corporates	50.5%	51.0%
Services	10.6%	10.7%
Distribution	7.9%	8.2%
Real estate [3]	6.8%	6.9%
Building & construction	4.8%	4.8%
Agriculture, farming, fishing	2.7%	2.7%
Automotive	2.6%	2.7%
Electricity	2.1%	1.9%
Food Producers	1.8%	2.0%
Metals	1.6%	1.5%
Chemicals	1.3%	1.4%
Shipping	1.0%	0.8%
Machinery & Heavy equipment	0.9%	0.9%
Oil, gas & other fuels	0.9%	0.9%
Hotels, bars & restaurants	0.8%	0.7%
Electrotechnics	0.6%	0.5%
Other [4]	4.1%	4.2%
Loan portfolio breakdown by region (as a % of the outstanding portfolio)		
Belgium	54.5%	54.9%
Czech Republic	18.8%	18.6%
Slovakia	6.2%	6.1%
Hungary	4.1%	4.0%
Bulgaria	5.7%	5.6%
Rest of Western Europe	7.4%	7.6%
Rest of Central and Eastern Europe	0.2%	0.2%
North America	1.0%	1.1%
Asia	0.8%	0.9%
Other	1.5%	1.0%
Loan portfolio breakdown by counterparty (as % of the outstanding portfolio)		
Retail	40.5%	40.7%
of which: mortgages	36.5%	36.8%
of which: consumer finance	3.9%	3.9%
SME	21.7%	22.0%
Corporate	37.8%	37.3%

	30-06-2025	31-12-2024
Loan portfolio breakdown by IFRS 9 ECL stage (as % of the outstanding portfolio)		
Stage 1 (credit risk has not increased significantly since initial recognition)	90.2%	90.2%
of which: PD 1 - 4	64.2%	64.5%
of which: PD 5 - 9 including unrated	26.1%	25.7%
Stage 2 (credit risk has increased significantly since initial recognition – not credit impaired) incl. POCI [5]	7.9%	7.8%
of which: PD 1 - 4	2.3%	2.2%
of which: PD 5 - 9 including unrated	5.7%	5.6%
Stage 3 (credit risk has increased significantly since initial recognition – credit impaired) incl. POCI [5]	1.8%	2.0%
of which: PD 10 impaired loans	0.8%	0.9%
of which: more than 90 days past due (PD 11+12)	1.0%	1.0%
Impaired loan portfolio (in millions of EUR)		
Impaired loans (PD10 + 11 + 12)	4 041	4 171
of which: more than 90 days past due	2 173	2 178
Impaired loans ratio (%)		
Belgium	1.9%	2.0%
Czech Republic	1.3%	1.3%
International Markets	1.5%	1.6%
Group Centre [2]	36.0%	38.3%
Total	1.8%	2.0%
of which: more than 90 days past due	1.0%	1.0%
Loan loss impairment (in millions of EUR)		
Loan loss Impairment for Stage 1 portfolio	230	201
Loan loss Impairment for Stage 2 portfolio	333	340
Loan loss Impairment for Stage 3 portfolio	1 991	1 979
of which: more than 90 days past due	1 496	1 492
Cover ratio of impaired loans (%)		
Loan loss impairments for stage 3 portfolio / impaired loans	49.3%	47.4%
of which: more than 90 days past due	68.8%	68.5%
Cover ratio of impaired loans, mortgage loans excluded (%)		
Loan loss impairments for stage 3 portfolio / impaired loans, mortgage loans excluded	52.6%	50.5%
of which: more than 90 days past due	71.6%	71.4%
Credit cost ratio (%)		
Belgium	0.14%	0.19%
Czech Republic	0.12%	-0.09%
International Markets	0.19%	-0.08%
Slovakia	0.12%	-0.14%
Hungary	0.09%	-0.27%
Bulgaria	0.33%	0.14%
Group Centre	-0.04%	1.58%
Total	0.15%	0.10%

[1] Outstanding portfolio includes all on-balance sheet commitments and off-balance sheet guarantees but excludes off-balance sheet undrawn commitments; the amounts are measured in Gross Carrying Amounts
[2] Business Unit Group Centre = part of non-legacy portfolio assigned to BU Group, activities in wind-down (e.g. ex-Antwerp Diamond Bank). The presence of the residual portfolios of the activities in wind-down explains the high share of impaired loans
[3] Real estate = Income producing commercial real estate to 3rd parties
[4] Other includes corporate sectors not exceeding 0.5% concentration and unidentified sectors
[5] Purchased or originated credit impaired assets

Impaired loans are loans for which full (re)payment of the contractual cash flows is deemed unlikely. This coincides with KBC's Probability-of-Default-classes 10, 11 and 12 (see annual accounts FY 2024 - section on credit risk for more information on PD classification). These impaired loans are equal to 'non-performing loans' under the definition used by EBA.

Loan portfolio per Business Unit (banking activities)

Legend:

- **ind. LTV - Indexed Loan To Value:** current outstanding loan / current value of property
- **Impaired loans:** loans for which full (re)payment is deemed unlikely (coincides with KBC's PD-classes 10, 11 or 12)
- **Impaired loans that are more than 90 days past due:** loans that are more than 90 days overdue and/or loans which have been terminated/cancelled or bankrupt obligors (coincides with KBC's PD-classes 11 and 12)
- Stage 1+2 impairments: impairments for non-impaired exposure (i.e. exposure with PD < PD 10)
- Stage 3 impairments: loan loss impairments for impaired exposure (i.e. exposure with PD 10, 11 or 12)
- **Cover ratio impaired loans:** stage 3 impairments / impaired loans

Loan portfolio per Business Unit 30-06-2025, in millions of EUR	Business Unit Belgium[1]			Business Unit Czech Republic			Business Unit International Markets			Business Unit Group Centre[2]		
Total portfolio outstanding	**141 064**			**44 229**			**34 797**			**872**		
Counterparty break down		% outst.			% outst.			% outst.			% outst.	
retail	48 464	34%		24 691	56%		16 257	47%		0	0%	
o/w mortgages	46 745	33%		21 541	49%		12 474	36%		0	0%	
o/w consumer finance	1 719	1%		3 150	7%		3 782	11%		0	0%	
SME	37 394	27%		6 284	14%		4 357	13%		0	0%	
corporate	55 207	39%		13 253	30%		14 184	41%		872	100%	
Mortgage loans		% outst.	ind. LTV		% outst.	ind. LTV		% outst.	ind. LTV		% outst.	ind. LTV
total	46 745	33%	54%	21 541	49%	52%	12 474	36%	58%	0	0%	0%
o/w FX mortgages	0	0%	-	0	0%	-	61	0%	37%	0	0%	-
o/w ind. LTV > 100%	421	0%	-	13	0%	-	69	0%	-	0	0%	-
Probability of default (PD)		% outst.			% outst.			% outst.			% outst.	
low risk (PD 1-4; 0.00%-0.80%)	103 122	73%		25 418	57%		17 670	51%		529	61%	
medium risk (PD 5-7; 0.80%-6.40%)	31 729	22%		16 170	37%		15 418	44%		29	3%	
high risk (PD 8-9; 6.40%-100.00%)	3 320	2%		2 053	5%		1 164	3%		0	0%	
impaired loans (PD 10 - 12)	2 621	2%		585	1%		522	1%		314	36%	
unrated	272	0%		4	0%		23	0%		0	0%	
Overall risk indicators		stage 3 imp.	% cover		stage 3 imp.	% cover		stage 3 imp.	% cover		stage 3 imp.	% cover
outstanding impaired loans	2 621	1 190	45%	585	252	43%	522	247	47%	314	302	96%
o/w PD 10 impaired loans	1 367	372	27%	241	50	21%	242	67	28%	18	7	38%
o/w more than 90 days past due (PD 11+12)	1 254	818	65%	344	203	59%	280	180	64%	295	295	100%
all impairments (stage 1+2+3)	1 448			407			392			308		
o/w stage 1+2 impairments (incl. POCI)	258			154			145			6		
o/w stage 3 impairments (incl. POCI)	1 190			252			247			302		
2024 Credit cost ratio (CCR)[3]	0.19%			-0.09%			-0.08%			1.58%		
2025 Credit cost ratio (CCR)[3] - YTD	0.14%			0.12%			0.19%			-0.04%		

[1] Business Unit Belgium = KBC Bank (all retail and corporate credit lending activities including the foreign branches, part of non-legacy portfolio assigned to BU Belgium), CBC, KBC Lease Belgium, KBC Immolease, KBC Commercial Finance

[2] Business Unit Group Centre = part of non-legacy portfolio assigned to BU Group and activities in wind-down (e.g. ex-Antwerp Diamond Bank)

[3] CCR at country level in local currency

Loan portfolio Business Unit International Markets

Legend:

- **ind. LTV - Indexed Loan To Value:** current outstanding loan / current value of property
- **Impaired loans:** loans for which full (re)payment is deemed unlikely (coincides with KBC's PD-classes 10, 11 or 12)
- **Impaired loans that are more than 90 days past due:** loans that are more than 90 days overdue and/or loans which have been terminated/cancelled or bankrupt obligors (coincides with KBC's PD-classes 11 and 12)
- Stage 1+2 impairments: impairments for non-impaired exposure (i.e. exposure with PD < PD 10)
- Stage 3 impairments: loan loss impairments for impaired exposure (i.e. exposure with PD 10, 11 or 12)
- **Cover ratio impaired loans:** stage 3 impairments / impaired loans

Loan portfolio Business Unit International Markets

30-06-2025, in millions of EUR	Slovakia			Hungary			Bulgaria		
Total portfolio outstanding	**13 081**			**8 983**			**12 733**		
Counterparty break down		% outst.			% outst.			% outst.	
retail	7 633	58%		3 210	36%		5 414	43%	
o/w mortgages	7 059	54%		2 117	24%		3 298	26%	
o/w consumer finance	574	4%		1 092	12%		2 116	17%	
SME	1 322	10%		107	1%		2 928	23%	
corporate	4 126	32%		5 666	63%		4 391	34%	
Mortgage loans		% outst.	ind. LTV		% outst.	ind. LTV		% outst.	ind. LTV
total	7 059	54%	61%	2 117	24%	45%	3 298	26%	61%
o/w FX mortgages	0	0%	-	0	0%	37%	61	0%	37%
o/w ind. LTV > 100%	38	0%	-	17	0%		14	0%	-
Probability of default (PD)		% outst.			% outst.			% outst.	
low risk (PD 1-4; 0.00%-0.80%)	8 713	67%		4 804	53%		4 153	33%	
medium risk (PD 5-7; 0.80%-6.40%)	3 570	27%		3 934	44%		7 913	62%	
high risk (PD 8-9; 6.40%-100.00%)	575	4%		163	2%		426	3%	
impaired loans (PD 10 - 12)	205	2%		78	1%		240	2%	
unrated	19	0%		4	0%		1	0%	
Overall risk indicators		stage 3 imp.	% cover		stage 3 imp.	% cover		stage 3 imp.	% cover
outstanding impaired loans	205	90	44%	78	30	38%	240	127	53%
o/w PD 10 impaired loans	95	22	24%	50	15	29%	97	30	31%
o/w more than 90 days past due (PD 11+12)	110	68	62%	27	15	55%	143	97	68%
all impairments (stage 1+2+3)	131			70			191		
o/w stage 1+2 impairments (incl. POCI)	41			40			64		
o/w stage 3 impairments (incl. POCI)	90			30			127		
2024 Credit cost ratio (CCR)[1]	-0.14%			-0.27%			0.14%		
2025 Credit cost ratio (CCR)[3] - YTD	0.12%			0.09%			0.33%		

[1] CCR at country level in local currency

Solvency

KBC reports its solvency at group, banking and insurance level, calculating it on the basis of IFRS figures and the relevant guidelines issued by the competent regulator.

Solvency KBC Group

We report the solvency of the group, the bank and the insurance company based on IFRS data and according to the rules imposed by the regulator. For the KBC group, this implies that we calculate our solvency ratios based on CRR/CRD. This regulation entered gradually into force as of 1 January 2014.

Based on CRR/CRD, profit can be included in CET1 capital only after the profit appropriation decision by the final decision body, for KBC Group it is the General Meeting. ECB can allow to include interim or annual profit in CET1 capital before the decision by the General Meeting. In that case, the foreseeable dividend should be deducted from the profit that is included in CET1. Until 1Q 2025 our Dividend Policy of “at least 50%” did not include a maximum, therefore, KBC Group did not request ECB approval to include interim or annual profit in CET1 capital before the decision by the General Meeting. As such, the annual profit of 2024 and the dividend re. 2024 were recognised in the official (transitional) CET1 of the 1st quarter 2025, which is reported after the General Meeting.

As from 2Q 2025 our updated Dividend Policy includes a pay-out range of 50%-65% (Payout ratio, including AT1 coupon), this allows KBC Group to request ECB approval to include 35% of the interim or annual profit in transitional CET1 capital before the decision by the General Meeting.

The 1H 2025 interim profit is included in the fully loaded CET1 taking into account 50% pay-out.

The general rule under CRR/CRD for insurance participations is that an insurance participation is deducted from common equity at group level, unless the competent authority grants permission to apply a risk weighting instead (Danish compromise). As of the fourth quarter of 2020, the revised CRR/CRD requires the use of the equity method, unless the competent authority allows institutions to apply a different method. KBC Group has received ECB approval to continue to use the historical carrying value for risk weighting (250% from 1 January 2025, 370% before), after having deconsolidated KBC Insurance from the group figures.

In addition to the solvency ratios under CRR/CRD, KBC is considered a financial conglomerate since it covers both significant banking and insurance activities. Therefore KBC also has to disclose its solvency position as calculated in accordance with the Financial Conglomerate Directive (FICOD; 2002/87/EC). This implies that available capital is calculated on the basis of the consolidated position of the group and the eligible items recognised as such under the prevailing sectorial rules, which are CRR/CRD for the banking business and Solvency II for the insurance business. The capital requirement for the insurance business based on Solvency II is multiplied by 12.5 to obtain a risk weighted asset equivalent.

The overall capital requirement (CET1) that KBC is to uphold is set at 10.81% (fully loaded, Danish Compromise which includes the CRR/CRD minimum requirement (4.50%), the Pillar 2 Requirement (1.06% P2R, taking into account CRD V Art 104a(4)) and the buffers set by national competent authorities (2.50% Capital Conservation Buffer, 1.50% buffer for other systemically important banks, 0.10% Systemic Risk Buffer and 1.15% Countercyclical Buffer). Furthermore ECB has set a Pillar 2 Guidance of 1.25%. In line with CRD V Art. 104a(4), ECB allows banks to satisfy the P2R (1.83%, 3bps lower compared to 31 December 2024 which is explained by a lower add-on related to the back-stop shortfall for non-performing exposures defaulted before 01-04-2018) with additional tier-1 instruments (1.75% up to 1.5/8) and tier-2 instruments (1.75% up to 2/8) based on the same relative weights as allowed for meeting the 8% Pillar 1 Requirement. The CET1 requirement related to P2R now includes 100% of the 8bps add-on related to the back-stop shortfall for non-performing exposures defaulted before 01-04-2018.

Distributions (being dividend payments, payments related to additional tier 1 instruments or variable remuneration) are limited in case the combined buffer requirements described above are breached. This limitation is also referred to as “Maximum Distributable Amount” or “MDA” thresholds.

The next table provides an overview of the buffers KBC Group has compared to these thresholds, both on an actuals basis (i.e. versus the regulatory targets that apply at the reporting date) and a fully loaded basis (i.e. versus the regulatory targets that will apply going forward).

Buffer vs. Overall Capital Requirement (in millions of EUR) (consolidated, under CRR, Danish compromise method)	30-06-2025 Fully loaded	30-06-2025 Actuals	31-12-2024 Fully loaded	31-12-2024 Actuals
CET1 Pillar 1 minimum	4.50%	4.50%	4.50%	4.50%
Pillar 2 requirement to be satisfied with CET1	1.06%	1.06%	1.09%	1.05%
Capital conservation buffer	2.50%	2.50%	2.50%	2.50%
Buffer for systemically important institutions (O-SII)	1.50%	1.50%	1.50%	1.50%
Systemic Risk Buffer (SRyB)	0.10%	0.10%	0.14%	0.14%
Entity-specific countercyclical buffer	1.15%	1.12%	1.15%	1.12%
Overall Capital Requirement (OCR) - with P2R split, CRD Art. 104a(4)	**10.81%**	**10.79%**	**10.88%**	**10.80%**
CET1 used to satisfy shortfall in AT1 bucket	-0.44%	-0.48%	0.27%	0.29%
CET1 used to satisfy shortfall in T2 bucket	0.35%	0.32%	0.30%	0.33%
CET1 requirement for MDA	**10.81%**	**10.79%**	**11.45%**	**11.42%**
CET1 capital	18 413	18 138	17 947	16 621
CET1 buffer (= buffer compared to MDA)	4 765	4 729	4 212	2 919

Following table groups the solvency on the level of KBC Group according to different methodologies and calculation methods, including the deduction method.

Overview of KBC Group's capital ratios (in millions of EUR) 30-06-2025		numerator (common equity)	denominator (total weighted risk volume)	ratio (%)
Common Equity ratio				
Danish Compromise	Fully loaded	18 413	126 220	14.59%
Deduction Method	Fully loaded	17 820	124 736	14.29%
Financial Conglomerates Directive	Fully loaded	20 275	147 368	13.76%
Danish Compromise	Transitional	18 138	124 315	14.59%
Deduction Method	Transitional	17 504	122 730	14.26%
Financial Conglomerates Directive	Transitional	20 000	145 463	13.75%

KBC's fully loaded CET1 ratio of 14.59% at the end of June 2025 represents a solid capital buffer of 3.78% compared with the Maximum Distributable Amount (MDA) of 10.81%.

The EBA Monitoring report on AT1, Tier 2 and TLAC / MREL eligible liabilities instruments (27 June 2024) recommends to use the carrying amounts (including accrued interest and hedge adjustments) instead of nominal amounts for own funds calculation. KBC has applied this EBA recommendation as from 30-09-2024. Implementation of this approach increases the volatility in the Tier 2 capital: as at 30-06-2025 it has a 27 million euros positive impact on Tier 2 capital at KBC Group level (compared to 47 million euros on 31-12-2024).

Solvency ratios KBC Group (Danish Compromise)

In millions of EUR	30-06-2025 Fully loaded	30-06-2025 Transitional	31-12-2024 Fully loaded	31-12-2024 Transitional
Total regulatory capital (after profit appropriation)	23 915	23 641	22 374	21 048
Tier-1 capital	21 277	21 002	19 811	18 485
Common equity	18 413	18 138	17 947	16 621
Parent shareholders' equity (after deconsolidating KBC Insurance)	21 975	21 975	21 589	18 932
Intangible fixed assets, incl deferred tax impact (-)	- 768	- 768	- 743	- 743
Goodwill on consolidation, incl deferred tax impact (-)	- 1 062	- 1 062	- 1 052	- 1 052
Minority interests	0	0	0	0
Hedging reserve (cash flow hedges) (-)	233	233	508	508
Valuation diff. in financial liabilities at fair value - own credit risk (-)	- 28	- 28	- 29	- 29
Value adjustment due to the requirements for prudent valuation (-)	- 36	- 36	- 35	- 35
Dividend payout (-)	- 732	- 1 014	- 1 249	0
Share buyback (part not yet executed) (-)	0	0	0	0
Coupon of AT1 instruments (-)	- 31	- 31	- 27	- 27
Deduction re. financing provided to shareholders (-)	- 20	- 20	- 23	- 23
Deduction re. Irrevocable payment commitments (-)	- 87	- 87	- 90	- 90
Deduction re NPL backstops (-)	- 251	- 251	- 205	- 205
Deduction re pension plan assets (-)	- 171	- 171	- 205	- 205
IRB provision shortfall (-)	- 263	- 256	- 141	- 66
Deferred tax assets on losses carried forward (-)	- 347	- 347	- 353	- 353
Transitional adjustments to CET1	0	0	0	7
Limit on deferred tax assets from timing differences relying on future profitability and significant participations in financial sector entities (-)	0	0	0	0
Additional going concern capital	2 864	2 864	1 864	1 864
CRR compliant AT1 instruments	2 864	2 864	1 864	1 864
Minority interests to be included in additional going concern capital	0	0	0	0
Tier 2 capital	2 637	2 639	2 563	2 563
IRB provision excess (+)	281	282	167	167
Transitional adjustments to T2	0	0	0	0
Subordinated liabilities	2 357	2 357	2 396	2 396
Subordinated loans non-consolidated financial sector entities (-)	0	0	0	0
Minority interests to be included in tier 2 capital	0	0	0	0
Total weighted risk volume	126 220	124 315	119 945	119 950
Banking	119 266	117 361	110 082	110 087
Insurance	6 171	6 171	9 133	9 133
Holding activities	791	791	734	734
Elimination of intercompany transactions	- 9	- 9	- 5	- 5
Solvency ratios				
Common equity ratio	14.59%	14.59%	14.96%	13.86%
Tier-1 ratio	16.86%	16.89%	16.52%	15.41%
Total capital ratio	18.95%	19.02%	18.65%	17.55%

Note:

- For the composition of the banking RWA, see section 'Solvency banking and insurance activities separately' further in this report.
- As at 30-06-2025, the difference between the fully loaded total own funds (23 915 million euros, interim profit after 50% pay-out re. 2025 is included) and the transitional own funds (23 641 million euros, interim profit is included based on the calculation method in line with Decision (EU) 2015/656 of the European Central Bank (ECB/2015/4)) is explained by the higher amount of the dividend accrual in the transitional own funds (-282 million euros) and the IRB excess/shortfall (8 million euros).
- In May 2025, KBC Group issued a new AT1 for an amount of 1 billion euros with a first call date on 27-11-2030.
- At year-end 2024, the difference between the fully loaded total own funds (22 374 million euros; profit and dividend re. 2024 is included) and the transitional own funds (21 048 million euros; profit and dividend re. 2024 is not included) is explained by the net result for 2024 (+3 333 million euros under the Danish Compromise method), the ordinary dividend for 2024 pay-out (-1 645 million euros dividend accrual, of which -396 million euros interim dividend of 2024), the extraordinary interim dividend (-280 million euros, paid out in 2Q 2024), the impact of the IFRS 9 transitional measures and IRB excess/shortfall (-81 million euros).

Leverage ratio KBC Group

Leverage ratio KBC Group In millions of EUR	30-06-2025 Fully loaded	30-06-2025 Transitional	31-12-2024 Fully loaded	31-12-2024 Transitional
Tier-1 capital	21 277	21 002	19 811	18 485
Total exposures	380 048	380 048	360 085	360 092
Total Assets	390 669	390 669	373 048	373 048
Deconsolidation KBC Insurance	-34 164	-34 164	-33 734	-33 734
Transitional adjustment	0	0	0	7
Adjustment for derivatives	- 842	- 842	- 885	- 885
Adjustment for regulatory corrections in determining Tier-1 capital	-2 910	-2 910	-2 681	-2 681
Adjustment for securities financing transaction exposures	1 511	1 511	1 686	1 686
Central Bank exposure	0	0	0	0
Off-balance sheet exposures	25 784	25 784	22 651	22 651
Leverage ratio	5.60%	5.53%	5.50%	5.13%

At the end of June 2025, the fully loaded leverage ratio increased compared to December 2024, mainly driven by higher AT1 capital (1 new AT1 instrument issued in 2Q25 – 1bn EUR) and by high profit recognition.

Solvency banking and insurance activities separately

As is the case for the KBC group, the solvency of KBC Bank is calculated based on CRR/CRD. The solvency of KBC Insurance is calculated on the basis of Solvency II rules as they became effective on 1 January 2016.

The tables below show the tier-1 and CAD ratios calculated under CRR/CRD for KBC Bank, as well as the solvency ratio of KBC Insurance under Solvency II.

Regulatory capital requirements KBC Bank (consolidated) (in millions of EUR)	30-06-2025 Fully loaded	30-06-2025 Transitional	31-12-2024 Fully loaded	31-12-2024 Transitional
Total regulatory capital, after profit appropriation	22 014	21 602	20 296	18 981
Tier-1 capital	19 388	18 975	17 755	16 440
Common equity	16 524	16 111	15 891	14 576
Parent shareholders' equity	19 594	19 594	18 559	16 665
Solvency adjustments	-3 070	-3 483	-2 668	-2 088
Additional going concern capital	2 864	2 864	1 864	1 864
Tier-2 capital	2 626	2 627	2 541	2 541
Total weighted risk volume	119 411	117 506	110 082	110 087
Credit risk	100 605	99 200	94 213	94 218
Market risk	2 494	1 994	2 026	2 026
Operation risk	16 313	16 313	13 843	13 843
Common equity ratio	13.8%	13.7%	14.4%	13.2%

Solvency II, KBC Insurance consolidated (in millions of EUR)	30-06-2025	31-12-2024
Own Funds	4 648	4 392
Tier 1	4 133	3 873
IFRS Parent shareholders equity	3 836	3 331
Dividend payout	- 202	- 91
Deduction intangible assets and goodwill (after tax)	- 212	- 207
Valuation differences (after tax)	515	633
Volatility adjustment	163	189
Other	32	18
Tier 2	501	501
Subordinated liabilities	501	501
Tier 3	14	18
Deferred tax assets	14	18
Solvency Capital Requirement (SCR)	2 186	2 196
Market risk	1 497	1 533
Non-life	828	821
Life	1 285	1 222
Health	274	321
Counterparty	145	121
Diversification	-1 387	-1 385
Other	- 456	- 435
Solvency II ratio	213%	200%

Minimum requirement for own funds and eligible liabilities (MREL)

Besides the ECB and NBB, which supervise KBC on a going concern basis, KBC is also subject to requirements set by the Single Resolution Board (SRB). The SRB is developing resolution plans for the major banks in the euro area. The resolution plan for KBC is based on a Single Point of Entry (SPE) approach at the level of KBC Group with 'bail-in' as the primary resolution tool. MREL measures the amount of own funds and eligible liabilities that can be credibly and feasibly bailed-in.

In June 2025, the SRB formally communicated to KBC binding MREL targets (under BRRD2), expressed as a percentage of Risk Weighted Assets (RWA) and Leverage Ratio Exposure Amount (LRE):

- 27.61% of RWA as from 2Q 2025 (including transitional Combined Buffer Requirement[(1)] of 5.22% in 2Q 2025)
- 7.42% of LRE

Besides a total MREL amount, BRRD2 also requires KBC to maintain a certain part of MREL in subordinated format (i.e. instruments subordinated to liabilities, excluded from bail-in).

The binding subordinated MREL targets are:

- 22.22% of RWA as from 1Q 2025 (including the Combined Buffer Requirement[(1)] of 5.22% in 2Q 2025)
- 7.42% of LRE

At the end of June 2025, the MREL ratio stands at 30.8% as a % of RWA (versus 30.7% as at the end 2024) and at 10.1% as % of LRE (versus 10.2% as at the end of 2024).

(1) Combined Buffer Requirement (transitional) = Conservation Buffer (2.50%) + O-SII Buffer (1.50%) + Countercyclical Buffer (1.12%) + Systemic Risk Buffer (0.10%) comes on top of the MREL target as a percentage of RWA.

Income statement, volumes and ratios of KBC Group and per business unit

Details on our segments or business units are available in the company presentation.

Note: The ECB approved to apply the IFRS9 transitional arrangements from 2Q 2020, as such the difference between fully loaded and the transitional measures are assigned to Group Centre. In other words, the RWA, allocated capital and the ROAC of the different countries remain based on fully loaded.

KBC Group (in millions of EUR)	2Q 2025	1Q 2025	4Q 2024	3Q 2024	2Q 2024
Breakdown P&L					
Net interest income	1 509	1 421	1 433	1 394	1 379
Insurance revenues before reinsurance	788	773	764	740	726
Non-life	667	648	640	631	613
Life	121	125	124	109	114
Dividend income	33	9	13	11	26
Net result from financial instruments at fair value through profit or loss & Insurance finance income and expense (for contracts issued)	- 34	- 45	- 74	- 42	3
Net fee and commission income	667	690	700	641	623
Net other income	77	67	27	45	51
TOTAL INCOME	3 041	2 915	2 863	2 787	2 809
Operating expenses (excluding opex allocated to insurance service expenses)	- 1 020	- 1 498	- 1 126	- 1 058	- 950
Total Opex without bank and insurance tax	- 1 125	- 1 106	- 1 201	- 1 135	- 1 074
Total bank and insurance tax	- 27	- 539	- 55	- 47	- 2
Minus: Opex allocated to insurance service expenses	132	148	131	124	126
Insurance service expenses before reinsurance	- 608	- 622	- 635	- 688	- 590
Of which Insurance commissions paid	- 105	- 102	- 103	- 99	- 92
Non-life	- 541	- 543	- 561	- 615	- 514
of which Non-life - Claim related expenses	- 342	- 337	- 364	- 427	- 331
Life	- 67	- 79	- 74	- 72	- 76
Net result from reinsurance contracts held	- 15	- 9	- 4	28	- 24
Impairment	- 124	- 38	- 78	- 69	- 85
on FA at amortised cost and at FVOCI	- 116	- 38	- 50	- 61	- 72
on goodwill	0	0	0	0	0
other	- 8	0	- 28	- 7	- 13
Share in results of associated companies and joint ventures	1	0	- 1	78	2
RESULT BEFORE TAX	1 275	747	1 020	1 079	1 162
Income tax expense	- 257	- 202	96	- 211	- 237
RESULT AFTER TAX	1 018	546	1 115	868	925
attributable to minority interests	0	0	0	0	0
attributable to equity holders of the parent	**1 018**	**546**	**1 116**	**868**	**925**
Banking	829	395	967	774	774
Insurance	181	140	139	104	139
Holding activities	9	11	10	- 9	13
Breakdown Loans and deposits					
Total customer loans excluding reverse repos (end of period)	202 031	197 326	192 067	188 623	187 502
of which Mortgage loans (end of period)	*81 109*	*79 429*	*78 059*	*76 926*	*76 236*
Customer deposits and debt certificates excl. repos (end of period)	284 861	271 716	271 087	263 071	271 610
Insurance related liabilities (including Inv. Contracts)					
Life insurance	29 499	29 296	29 596	29 020	28 272
Liabilities under investment contracts (IFRS 9)	*15 757*	*15 631*	*15 671*	*15 193*	*14 780*
Insurance contract liabilities (IFRS 17)	*13 742*	*13 665*	*13 925*	*13 827*	*13 492*
Non-life insurance	3 280	3 247	3 186	3 186	3 029
Performance Indicators					
Risk-weighted assets, banking fully loaded, end of period)	126 220	124 789	119 945	116 817	115 635
Required capital, insurance (end of period)	2 186	2 171	2 196	2 206	2 153
Allocated capital (end of period)	15 247	15 076	14 297	13 965	13 783
Return on allocated capital (ROAC, YTD)	21%	15%	25%	22%	21%
Cost/income ratio without banking and insurance tax (YTD)	41%	41%	43%	43%	42%
Combined ratio, non-life insurance (YTD)	85%	86%	90%	89%	87%
Net interest margin, banking (QTD)	2.08%	2.05%	2.08%	2.08%	2.10%

Business unit Belgium (in millions of EUR)	2Q 2025	1Q 2025	4Q 2024	3Q 2024	2Q 2024
Breakdown P&L					
Net interest income	900	830	837	828	831
Insurance revenues before reinsurance	470	471	469	447	445
Non-life	394	390	387	379	371
Life	76	81	83	68	74
Dividend income	32	9	12	7	24
Net result from financial instruments at fair value through profit or loss & Insurance finance income and expense (for contracts issued)	- 93	- 71	- 113	- 65	- 64
Net fee and commission income	430	454	446	419	409
Net other income	72	61	51	49	46
TOTAL INCOME	1 811	1 753	1 703	1 686	1 692
Operating expenses (excluding opex allocated to insurance service expenses)	- 552	- 900	- 589	- 563	- 503
Total Opex without bank and insurance tax	- 627	- 628	- 666	- 634	- 609
Total bank and insurance tax	0	- 356	0	0	32
Minus: Opex allocated to insurance service expenses	75	84	76	71	73
Insurance service expenses before reinsurance	- 362	- 383	- 386	- 360	- 363
Of which Insurance commissions paid	- 64	- 63	- 63	- 62	- 59
Non-life	- 320	- 330	- 337	- 311	- 311
of which Non-life - Claim related expenses	- 213	- 224	- 228	- 209	- 210
Life	- 41	- 53	- 49	- 49	- 53
Net result from reinsurance contracts held	- 15	- 4	- 10	- 20	- 9
Impairment	- 79	- 24	- 58	- 42	- 123
on FA at amortised cost and at FVOCI	- 77	- 24	- 48	- 40	- 122
on goodwill	0	0	0	0	0
other	- 2	0	- 11	- 2	- 1
Share in results of associated companies and joint ventures	1	1	0	78	1
RESULT BEFORE TAX	804	443	660	779	694
Income tax expense	- 198	- 163	- 173	- 182	- 176
RESULT AFTER TAX	607	281	487	598	518
attributable to minority interests	0	0	0	0	0
attributable to equity holders of the parent	**607**	**281**	**487**	**598**	**519**
Banking	487	187	391	503	407
Insurance	120	94	96	95	111
Breakdown Loans and deposits					
Total customer loans excluding reverse repos (end of period)	128 894	126 204	123 887	121 832	121 459
of which Mortgage loans (end of period)	*47 488*	*46 835*	*46 297*	*45 970*	*45 613*
Customer deposits and debt certificates excl. repos (end of period)	177 004	163 206	164 483	157 465	165 002
Insurance related liabilities (including Inv. Contracts)					
Life insurance	27 741	27 573	27 862	27 266	26 530
Liabilities under investment contracts (IFRS 9)	*15 757*	*15 631*	*15 671*	*15 193*	*14 780*
Insurance contract liabilities (IFRS 17)	*11 983*	*11 942*	*12 191*	*12 073*	*11 750*
Non-life insurance	2 441	2 424	2 371	2 361	2 298
Performance Indicators					
Risk-weighted assets, banking (fully loaded, end of period)	73 101	71 982	67 340	65 297	63 753
Required capital, insurance (end of period)	1 829	1 849	1 868	1 906	1 801
Allocated capital (end of period)	9 782	9 681	9 221	9 036	8 763
Return on allocated capital (ROAC, YTD)	19%	12%	21%	21%	18%
Cost/income ratio without banking and insurance tax (YTD)	39%	39%	41%	41%	40%
Combined ratio, non-life insurance (YTD)	86%	86%	88%	87%	86%
Net interest margin, banking (QTD)	1.92%	1.87%	1.90%	1.94%	1.97%

Business unit Czech Republic (in millions of EUR)	2Q 2025	1Q 2025	4Q 2024	3Q 2024	2Q 2024
Breakdown P&L					
Net interest income	348	336	335	325	323
Insurance revenues before reinsurance	165	156	153	151	144
Non-life	139	130	126	126	119
Life	27	26	26	25	25
Dividend income	0	0	0	0	1
Net result from financial instruments at fair value through profit or loss & Insurance finance income and expense (for contracts issued)	24	17	28	11	10
Net fee and commission income	88	94	97	87	84
Net other income	2	2	0	0	-1
TOTAL INCOME	628	605	614	573	561
Operating expenses (excluding opex allocated to insurance service expenses)	-201	-228	-222	-207	-196
Total Opex without bank and insurance tax	-234	-231	-249	-234	-221
Total bank and insurance tax	4	-25	-1	-1	-3
Minus: Opex allocated to insurance service expenses	29	28	28	29	27
Insurance service expenses before reinsurance	-131	-115	-130	-198	-104
Of which Insurance commissions paid	-22	-21	-21	-20	-16
Non-life	-118	-100	-115	-185	-91
of which Non-life - Claim related expenses	-72	-58	-73	-143	-53
Life	-14	-14	-16	-13	-12
Net result from reinsurance contracts held	1	-5	10	60	-6
Impairment	-12	-14	11	-17	41
on FA at amortised cost and at FVOCI	-12	-14	13	-17	41
on goodwill	0	0	0	0	0
other	0	0	-2	0	-1
Share in results of associated companies and joint ventures	0	-1	-1	0	0
RESULT BEFORE TAX	285	243	282	211	297
Income tax expense	-45	-36	-44	-32	-52
RESULT AFTER TAX	240	207	238	179	244
attributable to minority interests	0	0	0	0	0
attributable to equity holders of the parent	**240**	**207**	**238**	**179**	**244**
Banking	208	176	210	165	213
Insurance	32	32	28	15	31
Breakdown Loans and deposits					
Total customer loans excluding reverse repos (end of period)	41 569	40 530	38 338	37 756	37 422
of which Mortgage loans (end of period)	*21 023*	*20 480*	*20 028*	*19 738*	*19 685*
Customer deposits and debt certificates excl. repos (end of period)	54 594	53 942	52 709	51 867	51 939
Insurance related liabilities (including Inv. Contracts)					
Life insurance	837	831	835	862	868
Liabilities under investment contracts (IFRS 9)	*0*	*0*	*0*	*0*	*0*
Insurance contract liabilities (IFRS 17)	*837*	*831*	*835*	*862*	*868*
Non-life insurance	421	411	413	422	349
Performance Indicators					
Risk-weighted assets, banking (fully loaded, end of period)	21 119	21 533	18 530	18 389	18 124
Required capital, insurance (end of period)	185	176	169	166	170
Allocated capital (end of period)	2 482	2 519	2 193	2 174	2 149
Return on allocated capital (ROAC, YTD)	37%	35%	40%	39%	42%
Cost/income ratio without banking and insurance tax (YTD)	41%	42%	43%	43%	42%
Combined ratio, non-life insurance (YTD)	83%	81%	86%	87%	80%
Net interest margin, banking (QTD)	2.44%	2.44%	2.46%	2.40%	2.42%

Business unit International Markets **(in millions of EUR)**	**2Q 2025**	**1Q 2025**	**4Q 2024**	**3Q 2024**	**2Q 2024**
Breakdown P&L					
Net interest income	331	328	328	321	317
Insurance revenues before reinsurance	149	143	139	138	133
Non-life	131	126	123	123	119
Life	18	18	16	15	15
Dividend income	0	0	0	1	0
Net result from financial instruments at fair value through profit or loss & Insurance finance income and expense (for contracts issued)	17	10	7	8	14
Net fee and commission income	150	143	158	136	131
Net other income	7	5	- 21	0	9
TOTAL INCOME	654	629	610	604	605
Operating expenses (excluding opex allocated to insurance service expenses)	- 225	- 332	- 264	- 236	- 215
Total Opex without bank and insurance tax	- 221	- 213	- 236	- 214	- 207
Total bank and insurance tax	- 31	- 155	- 55	- 46	- 32
Minus: Opex allocated to insurance service expenses	27	35	26	25	25
Insurance service expenses before reinsurance	- 115	- 124	- 120	- 127	- 121
Of which Insurance commissions paid	- 19	- 18	- 19	- 17	- 17
Non-life	- 102	- 113	- 110	- 117	- 111
of which Non-life - Claim related expenses	- 56	- 56	- 65	- 73	- 67
Life	- 12	- 11	- 10	- 9	- 11
Net result from reinsurance contracts held	- 6	- 3	- 2	6	- 3
Impairment	- 34	- 4	- 15	- 9	- 3
on FA at amortised cost and at FVOCI	- 28	- 4	0	- 4	9
on goodwill	0	0	0	0	0
other	- 6	0	- 15	- 6	- 11
Share in results of associated companies and joint ventures	0	0	0	0	0
RESULT BEFORE TAX	276	165	209	239	263
Income tax expense	- 39	- 30	- 34	- 34	- 39
RESULT AFTER TAX	237	135	175	205	224
attributable to minority interests	0	0	0	0	0
attributable to equity holders of the parent	**237**	**135**	**175**	**205**	**224**
Banking	207	118	158	187	212
Insurance	29	17	17	18	12
Breakdown Loans and deposits					
Total customer loans excluding reverse repos (end of period)	31 568	30 592	29 842	29 035	28 621
of which Mortgage loans (end of period)	*12 599*	*12 113*	*11 735*	*11 218*	*10 937*
Customer deposits and debt certificates excl. repos (end of period)	33 271	32 905	32 832	32 189	31 730
Insurance related liabilities (including Inv. Contracts)					
Life insurance	921	892	899	891	875
Liabilities under investment contracts (IFRS 9)	*0*	*0*	*0*	*0*	*0*
Insurance contract liabilities (IFRS 17)	*921*	*892*	*899*	*891*	*875*
Non-life insurance	394	397	382	379	362
Performance Indicators					
Risk-weighted assets, banking (fully loaded, end of period)	24 345	23 699	23 757	22 758	23 382
Required capital, insurance (end of period)	199	193	188	183	179
Allocated capital (end of period)	2 848	2 772	2 782	2 668	2 732
Return on allocated capital (ROAC, YTD)	27%	19%	28%	29%	27%
Cost/income ratio without banking and insurance tax (YTD)	37%	37%	38%	37%	36%
Combined ratio, non-life insurance (YTD)	89%	95%	96%	97%	100%
Net interest margin, banking (QTD)	3.01%	3.13%	3.16%	3.18%	3.27%

Note: The combined ratio, non-life insurance includes a significant windfall tax fully booked in first quarter. Excluding the windfall tax, the combined ratio amounted to 85% in 1H 2025, 87% in 1Q 2025, 93% in 2024, 92% in 9M 2024 & 1H 2024.

Slovakia (in millions of EUR)	2Q 2025	1Q 2025	4Q 2024	3Q 2024	2Q 2024
Breakdown P&L					
Net interest income	71	72	70	69	69
Insurance revenues before reinsurance	29	28	28	28	27
Non-life	23	22	22	22	22
Life	6	6	6	5	5
Dividend income	0	0	0	0	0
Net result from financial instruments at fair value through profit or loss & Insurance finance income and expense (for contracts issued)	4	4	0	- 1	2
Net fee and commission income	23	23	25	21	21
Net other income	3	3	1	0	5
TOTAL INCOME	130	130	124	116	125
Operating expenses (excluding opex allocated to insurance service expenses)	- 63	- 64	- 69	- 69	- 66
Total Opex without bank and insurance tax	- 68	- 67	- 68	- 66	- 64
Total bank and insurance tax	- 2	- 4	- 8	- 9	- 8
Minus: Opex allocated to insurance service expenses	7	7	7	7	7
Insurance service expenses before reinsurance	- 24	- 25	- 29	- 28	- 32
Of which Insurance commissions paid	- 4	- 4	- 4	- 3	- 3
Non-life	- 19	- 21	- 26	- 24	- 28
of which Non-life - Claim related expenses	- 11	- 13	- 17	- 16	- 21
Life	- 5	- 4	- 3	- 4	- 4
Net result from reinsurance contracts held	- 1	- 1	1	3	0
Impairment	- 11	2	3	- 3	6
on FA at amortised cost and at FVOCI	- 10	2	4	- 3	6
on goodwill	0	0	0	0	0
other	- 1	0	0	0	0
Share in results of associated companies and joint ventures	0	0	0	0	0
RESULT BEFORE TAX	31	43	30	20	33
Income tax expense	- 6	- 9	- 4	- 4	- 7
RESULT AFTER TAX	25	34	26	16	27
attributable to minority interests	0	0	0	0	0
attributable to equity holders of the parent	**25**	**34**	**26**	**16**	**27**
Banking	22	31	25	13	30
Insurance	3	3	1	2	- 4
Breakdown Loans and deposits					
Total customer loans excluding reverse repos (end of period)	12 475	12 195	11 887	11 672	11 667
of which Mortgage loans (end of period)	*7 023*	*6 849*	*6 729*	*6 622*	*6 578*
Customer deposits and debt certificates excl. repos (end of period)	9 083	8 995	9 360	9 228	8 961
Insurance related liabilities (including Inv. Contracts)					
Life insurance	182	166	174	173	173
Liabilities under investment contracts (IFRS 9)	*0*	*0*	*0*	*0*	*0*
Insurance contract liabilities (IFRS 17)	*182*	*166*	*174*	*173*	*173*
Non-life insurance	76	77	75	72	68
Performance Indicators					
Risk-weighted assets, banking (fully loaded, end of period)	7 694	7 429	7 949	7 768	7 827
Required capital, insurance (end of period)	35	34	33	32	32
Allocated capital (end of period)	872	842	901	880	886
Return on allocated capital (ROAC, YTD)	14%	16%	11%	11%	14%
Cost/income ratio without banking and insurance tax (YTD)	55%	54%	57%	56%	54%
Combined ratio, non-life insurance (YTD)	94%	98%	112%	112%	120%

Hungary (in millions of EUR)	2Q 2025	1Q 2025	4Q 2024	3Q 2024	2Q 2024
Breakdown P&L					
Net interest income	146	144	141	143	138
Insurance revenues before reinsurance	54	55	50	52	50
Non-life	48	49	45	47	45
Life	6	6	5	5	5
Dividend income	0	0	0	0	0
Net result from financial instruments at fair value through profit or loss & Insurance finance income and expense (for contracts issued)	13	6	8	9	12
Net fee and commission income	85	81	92	75	71
Net other income	3	1	- 28	- 2	3
TOTAL INCOME	301	287	263	277	275
Operating expenses (excluding opex allocated to insurance service expenses)	- 110	- 188	- 124	- 103	- 87
Total Opex without bank and insurance tax	- 82	- 79	- 87	- 75	- 72
Total bank and insurance tax	- 38	- 128	- 46	- 37	- 24
Minus: Opex allocated to insurance service expenses	10	20	9	9	9
Insurance service expenses before reinsurance	- 42	- 54	- 42	- 53	- 44
Of which Insurance commissions paid	- 4	- 3	- 3	- 3	- 4
Non-life	- 38	- 50	- 39	- 50	- 40
of which Non-life - Claim related expenses	- 18	- 18	- 21	- 31	- 21
Life	- 3	- 4	- 3	- 3	- 4
Net result from reinsurance contracts held	- 2	- 1	- 1	6	- 2
Impairment	- 8	0	- 15	1	- 3
on FA at amortised cost and at FVOCI	- 3	0	- 1	6	8
on goodwill	0	0	0	0	0
other	- 5	0	- 14	- 5	- 11
Share in results of associated companies and joint ventures	0	0	0	0	0
RESULT BEFORE TAX	140	45	81	127	139
Income tax expense	- 18	- 10	- 17	- 17	- 18
RESULT AFTER TAX	122	35	65	110	121
attributable to minority interests	0	0	0	0	0
attributable to equity holders of the parent	**122**	**35**	**65**	**110**	**121**
Banking	111	33	57	105	115
Insurance	11	2	8	5	6
Breakdown Loans and deposits					
Total customer loans excluding reverse repos (end of period)	7 299	6 996	6 857	6 860	6 773
of which Mortgage loans (end of period)	*2 104*	*2 023*	*1 937*	*1 980*	*1 903*
Customer deposits and debt certificates excl. repos (end of period)	10 011	10 100	9 607	9 587	9 536
Insurance related liabilities (including Inv. Contracts)					
Life insurance	309	310	308	316	315
Liabilities under investment contracts (IFRS 9)	*0*	*0*	*0*	*0*	*0*
Insurance contract liabilities (IFRS 17)	*309*	*310*	*308*	*316*	*315*
Non-life insurance	122	126	119	125	119
Performance Indicators					
Risk-weighted assets, banking (fully loaded, end of period)	6 991	6 865	6 661	6 491	6 777
Required capital, insurance (end of period)	68	67	64	62	62
Allocated capital (end of period)	829	814	791	771	802
Return on allocated capital (ROAC, YTD)	39%	17%	44%	48%	43%
Cost/income ratio without banking and insurance tax (YTD)	29%	29%	29%	27%	26%
Combined ratio, non-life insurance (YTD)	94%	104%	100%	104%	109%

Note: The combined ratio, non-life insurance includes a significant windfall tax fully booked in first quarter. Excluding the windfall tax, the combined ratio amounted to 84% in 1H 2025, 84% in 1Q 2025, 91% in 2024, 92% in 9M 2024, and 90% in 1H 2024.

Bulgaria (in millions of EUR)	2Q 2025	1Q 2025	4Q 2024	3Q 2024	2Q 2024
Breakdown P&L					
Net interest income	114	112	117	110	110
Insurance revenues before reinsurance	67	60	61	59	57
Non-life	60	54	56	54	52
Life	6	6	5	5	5
Dividend income	0	0	0	1	0
Net result from financial instruments at fair value through profit or loss & Insurance finance income and expense (for contracts issued)	0	- 1	0	- 1	- 1
Net fee and commission income	41	39	41	40	38
Net other income	1	1	6	2	1
TOTAL INCOME	223	212	224	211	205
Operating expenses (excluding opex allocated to insurance service expenses)	- 52	- 81	- 71	- 64	- 62
Total Opex without bank and insurance tax	- 70	- 67	- 81	- 72	- 71
Total bank and insurance tax	9	- 22	0	0	0
Minus: Opex allocated to insurance service expenses	10	9	10	9	9
Insurance service expenses before reinsurance	- 49	- 46	- 49	- 45	- 45
Of which Insurance commissions paid	- 11	- 11	- 11	- 10	- 10
Non-life	- 45	- 43	- 46	- 43	- 42
of which Non-life - Claim related expenses	- 27	- 25	- 27	- 26	- 26
Life	- 3	- 3	- 3	- 3	- 3
Net result from reinsurance contracts held	- 2	- 2	- 2	- 2	- 1
Impairment	- 15	- 6	- 4	- 7	- 5
on FA at amortised cost and at FVOCI	- 15	- 6	- 3	- 7	- 5
on goodwill	0	0	0	0	0
other	0	0	- 1	- 1	0
Share in results of associated companies and joint ventures	0	0	0	0	0
RESULT BEFORE TAX	105	77	98	92	91
Income tax expense	- 15	- 11	- 14	- 12	- 14
RESULT AFTER TAX	90	66	85	80	76
attributable to minority interests	0	0	0	0	0
attributable to equity holders of the parent	**90**	**66**	**85**	**80**	**76**
Banking	75	54	76	69	67
Insurance	15	12	8	11	9
Breakdown Loans and deposits					
Total customer loans excluding reverse repos (end of period)	11 794	11 401	11 098	10 503	10 182
of which Mortgage loans (end of period)	*3 471*	*3 241*	*3 068*	*2 616*	*2 456*
Customer deposits and debt certificates excl. repos (end of period)	14 177	13 811	13 865	13 373	13 234
Insurance related liabilities (including Inv. Contracts)					
Life insurance	430	416	417	402	387
Liabilities under investment contracts (IFRS 9)	*0*	*0*	*0*	*0*	*0*
Insurance contract liabilities (IFRS 17)	*430*	*416*	*417*	*402*	*387*
Non-life insurance	195	194	188	182	176
Performance Indicators					
Risk-weighted assets, banking (fully loaded, end of period)	9 660	9 405	9 148	8 499	8 778
Required capital, insurance (end of period)	96	92	91	89	85
Allocated capital (end of period)	1 147	1 116	1 090	1 017	1 044
Return on allocated capital (ROAC, YTD)	28%	24%	29%	29%	27%
Cost/income ratio without banking and insurance tax (YTD)	37%	37%	40%	40%	40%
Combined ratio, non-life insurance (YTD)	83%	85%	86%	85%	83%

Business unit Group Centre (in millions of EUR)	2Q 2025	1Q 2025	4Q 2024	3Q 2024	2Q 2024
Breakdown P&L					
Net interest income	- 70	- 73	- 68	- 80	- 92
Insurance revenues before reinsurance	4	3	4	4	4
Non-life	4	3	4	4	4
Life	0	0	0	0	0
Dividend income	1	0	0	2	1
Net result from financial instruments at fair value through profit or loss & Insurance finance income and expense (for contracts issued)	18	0	4	4	42
Net fee and commission income	0	- 1	- 1	- 1	- 1
Net other income	- 5	- 1	- 2	- 4	- 3
TOTAL INCOME	- 52	- 72	- 63	- 76	- 49
Operating expenses (excluding opex allocated to insurance service expenses)	- 43	- 38	- 50	- 52	- 36
Total Opex without bank and insurance tax	- 43	- 35	- 51	- 53	- 37
Total bank and insurance tax	0	- 4	0	0	0
Minus: Opex allocated to insurance service expenses	1	1	1	1	1
Insurance service expenses before reinsurance	- 1	0	1	- 2	- 1
Of which Insurance commissions paid	0	0	0	0	0
Non-life	- 1	0	1	- 2	- 1
of which Non-life - Claim related expenses	0	1	2	- 2	- 1
Life	0	0	0	0	0
Net result from reinsurance contracts held	4	3	- 3	- 18	- 6
Impairment	1	3	- 16	- 1	1
on FA at amortised cost and at FVOCI	1	3	- 15	- 1	1
other	0	0	0	0	0
Share in results of associated companies and joint ventures	0	0	0	0	0
RESULT BEFORE TAX	- 91	- 104	- 131	- 150	- 92
Income tax expense	25	27	346	36	30
RESULT AFTER TAX	- 65	- 77	215	- 114	- 61
attributable to minority interests	0	0	0	0	0
attributable to equity holders of the parent	**- 65**	**- 77**	**215**	**- 114**	**- 61**
Banking	- 73	- 86	207	- 81	- 59
Insurance	- 1	- 2	- 2	- 24	- 16
Holding activities	9	11	10	- 9	13
Breakdown Loans and deposits					
Total customer loans excluding reverse repos (end of period)	0	0	0	0	0
of which Mortgage loans (end of period)	*0*	*0*	*0*	*0*	*0*
Customer deposits and debt certificates excl. repos (end of period)	19 992	21 662	21 063	21 550	22 938
Performance Indicators					
Risk-weighted assets, banking (end of period,fully loaded)	1 483	1 404	1 184	1 241	1 243
Risk-weighted assets, insurance (end of period, fully loaded)	6 171	6 171	9 133	9 133	9 133
Required capital, insurance (end of period)	- 27	- 48	- 28	- 48	2
Allocated capital (end of period)	134	105	101	87	138

Details of ratios and terms on KBC Group level

Basic and diluted earnings per share

Gives an idea of the amount of profit over a certain period that is attributable to one share (and, where applicable, including dilutive instruments).

Calculation (in millions of EUR)	Reference	1H 2025	2024	1H 2024
Result after tax, attributable to equity holders of the parent (A)	'Consolidated income statement'	1 564	3 415	1 431
-				
Coupon on the additional tier-1 instruments included in equity (B)	'Consolidated statement of changes in equity'	- 49	- 84	- 45
/				
Average number of ordinary shares less treasury shares (in millions) in the period (C)	Note 5.10	397	400	403
or				
Average number of ordinary shares plus dilutive options less treasury shares in the period (D)		397	400	403
Basic = (A-B) / (C) (in EUR)		3.82	8.33	3.44
Diluted = (A-B) / (D) (in EUR)		3.82	8.33	3.44

Combined ratio (non-life insurance – including reinsurance)

Gives insight into the technical profitability of the short-term non-life insurance business, more particularly the extent to which insurance premiums adequately cover claim payments and expenses. The combined ratio is defined net of reinsurance.

Calculation (in millions of EUR or %)	Reference	1H 2025	2024	1H 2024
Non-life PAA – Claims and claim related costs net of reinsurance (A)	Note 3.6, component of 'Insurance Service Expenses' & of 'Non-directly attributable income and expenses' & of 'Net result from reinsurance contracts held'	681	1 362	642
+				
Costs other than claims and commissions (B)	Note 3.6, component of 'Insurance Service Expenses' & of 'Non-directly attributable income and expenses' & of 'Net result from reinsurance contracts held'	385	729	349
/				
Non-life PAA - Net earned expected premiums received (C)	Note 3.6, component of 'Insurance revenues before reinsurance' & of 'Net result from reinsurance contracts held'	1 246	2 331	1 140
= (A+B) / (C)		85.5%	89.7%	87.0%

Common equity ratio

A risk-weighted measure of the group's solvency based on common equity tier-1 capital (the ratios given here are based on the Danish compromise). Changes to the capital rules are gradually being implemented to allow banks to build up the necessary capital buffers. The capital position of a bank, when account is taken of the transition period, is referred to as the 'transitional' view. The capital position based on full application of all the rules – as would be the case after this transition period – is referred to as 'fully loaded'.

A detailed calculation can be found under 'Solvency KBC Group' section.

Cost/income ratio without bank and insurance tax (group)

Gives an impression of the relative cost efficiency (costs relative to income without bank and insurance tax, but including insurance commissions paid) of the group.

Calculation (in millions of EUR or %)	Reference	1H 2025	2024	1H 2024
Cost/income ratio				
Total Opex without bank and insurance tax (A)	Consolidated income statement	2 232	4 474	2 137
+				
Insurance commissions paid (B)	Consolidated income statement	206	383	181
/				
Total income (C)	Consolidated income statement	5 955	11 167	5 516
=(A+B) / (C)		40.9%	43.5%	42.0%

Where relevant, we also exclude the exceptional and/or non-operating items when calculating the cost/income ratio. This calculation aims to give a better idea of the relative cost efficiency of the pure business activities. The adjustments include: MTM ALM derivatives (fully excluded), bank and insurance taxes (including contributions to European Single Resolution Fund) are included pro rata and hence spread over all quarters of the year instead of being recognised for the most part upfront (as required by IFRIC 21) and one-off items. The Cost/Income ratio adjusted for specific items is 45% in 1H 2025 (versus 47% in 2024).

Cover ratio

Indicates the proportion of impaired loans (see 'Impaired loans ratio' for definition) that are covered by impairment charges. The numerator and denominator in the formula relate to all impaired loans, but may be limited to impaired loans that are more than 90 days past due (the figures for that particular calculation are given in the ‘Credit risk’ section.

Calculation (in millions of EUR or %)	Reference	1H 2025	2024	1H 2024
Stage 3 impairment on loans (A)	'Credit risk: loan portfolio overview’ table in the 'Credit risk' section	1 991	1 979	1 888
/				
Outstanding impaired loans (B)	'Credit risk: loan portfolio overview’ table in the 'Credit risk' section	4 041	4 171	4 265
= (A) / (B)		49.3%	47.4%	44.3%

Credit cost ratio

Gives an idea of loan impairment charges recognised in the income statement for a specific period, relative to the total loan portfolio (see 'Loan portfolio' for definition). In the longer term, this ratio can provide an indication of the credit quality of the portfolio.

Calculation (in millions of EUR or %)	Reference	1H 2025	2024	1H 2024
Net changes in impairment for credit risks (A)	'Consolidated income statement': component of 'Impairment'	158	207	94
/				
Average outstanding loan portfolio (B)	'Credit risk: loan portfolio overview’ table in the 'Credit risk' section	215 932	206 928	204 731
= (A) (annualised) / (B)		0.15%	0.10%	0.09%

Note: a negative % is a release

In 1H 2025, the credit cost ratio without ECL for geopolitical and macroeconomic uncertainties, amounts to 0.15% (versus 0.16% in 2024).

Impaired loans ratio

Indicates the proportion of impaired loans in the loan portfolio (see 'Loan portfolio' for definition) and, therefore, gives an idea of the creditworthiness of the portfolio. Impaired loans are loans where it is unlikely that the full contractual principal and interest will be repaid/paid. These loans have a KBC default status of PD 10, PD 11 or PD 12. Where appropriate, the numerator in the formula may be limited to impaired loans that are more than 90 days past due (PD 11 + PD 12). Relevant figures for that calculation are given in the 'Credit Risk' section.

Calculation (in millions of EUR or %)	Reference	1H 2025	2024	1H 2024
Amount outstanding of impaired loans (A)	'Credit risk: loan portfolio overview' table in the 'Credit risk' section	4 041	4 171	4 265
/				
Total outstanding loan portfolio (B)	'Credit risk: loan portfolio overview in the 'Credit risk' section	220 962	210 903	206 509
= (A) / (B)		1.8%	2.0%	2.1%

Leverage ratio

Gives an idea of the group's solvency, based on a simple non-risk-weighted ratio.

A detailed calculation can be found under 'Solvency KBC Group' section.

Liquidity coverage ratio (LCR)

Gives an idea of the bank's liquidity position in the short term, more specifically the extent to which the group is able to overcome liquidity difficulties over a one-month period. It is the average of 12 end-of-month LCR figures.

Calculation (in millions of EUR or %)	Reference	1H 2025	2024	1H 2024
Stock of high-quality liquid assets (A)	Based on the European Commission's Delegated Act on LCR and the European Banking Authority's guidelines for LCR disclosure	100 551	100 631	101 716
/				
Total net cash outflows over the next 30 calendar days (B)		64 142	63 588	63 699
= (A) / (B)		157%	158%	160%

KBCs large stock of high-quality liquid assets (approximately 101 billion euros in 2Q 2025), which consist of cash and bonds which can be repoed in the private market and at the central banks. Note that the 101 billion euros consist of:

- 36 billion euros (or 36%) 'Cash & Central Bank receivables' (= liquidity that could at all times be used instantaneously to cover outflows)
- 65 billion euros (or 64%) 'LCR eligible bonds' which are reported at fair value at all times, independent of IFRS classification

Loan Portfolio

Gives an idea of the magnitude of (what are mainly traditional) lending activities.

Calculation (in millions of EUR or %)	Reference	1H 2025	2024	1H 2024
Loans and advances to customers (A)	Note 4.1, component of 'Loans and advances to customers'	202 031	192 067	187 502
+				
Reverse repos (not with Central Banks) (B)	Note 4.1, component of 'Reverse repos with credit institutions'	1 856	424	895
+				
Debt instruments issued by corporates and by credit institutions (not with Central Banks) (banking) (C)	Note 4.1, component of 'Debt instruments issued by corporates and by credit institutions'	5 390	5 690	6 847
+				
Other exposures to credit institutions (D)		3 218	3 207	3 892
+				
Financial guarantees granted to clients and other commitments (E)	Note 6.1, component of 'Financial guarantees given'	11 023	10 476	10 153
+				
Impairment on loans (F)	Note 4.2, component of 'Impairment'	2 489	2 455	2 439
+				
Insurance entities (G)	Note 4.1, component of 'Loans and advances to customers'	- 1 794	- 1 847	- 1 902
+				
Non-loan-related receivables (H)		- 684	- 499	- 569
+				
Other (I)	Component of Note 4.1	- 2 568	- 1 071	- 2 748
Gross Carrying amount = (A)+(B)+(C)+(D)+(E)+(F)+(G)+(H)+(I)		220 962	210 903	206 509

Net interest margin

Gives an idea of the net interest income of the banking activities (one of the most important sources of revenue for the group) relative to the average total interest-bearing assets of the banking activities.

Calculation (in millions of EUR or %)	Reference	1H 2025	2024	1H 2024
Net interest income of the banking activities (A)	'Consolidated income statement': component of 'Net interest income'	2 653	5 063	2 490
/				
Average interest-bearing assets of the banking activities (B)	'Consolidated balance sheet': component of 'Total assets'	255 714	238 600	235 723
= (A) (annualised x360/number of calendar days) / (B)		2.06%	2.09%	2.09%

The net interest margin is the net interest income of the banking activities, excluding dealing rooms and the net interest impact of ALM FX swaps and repos.

Net stable funding ratio (NSFR)

Gives an idea of the bank's structural liquidity position in the long term, more specifically the extent to which the group is able to overcome liquidity difficulties over a one-year period.

Calculation (in millions of EUR or %)	Reference	1H 2025	2024	1H 2024
Available amount of stable funding (A)	Regulation (EU) 2019/876 dd. 20-05-2019	226 899	221 939	216 102
/				
Required amount of stable funding (B)		168 465	159 835	155 072
= (A) / (B)		135%	139%	139%

Parent shareholders' equity per share

Gives the carrying value of a KBC share, i.e. the value in euros represented by each share in the parent shareholders' equity of KBC.

Calculation (in millions of EUR or number)	Reference	1H 2025	2024	1H 2024
Parent shareholders' equity (A)	'Consolidated balance sheet'	23 339	22 447	21 185
/				
Number of ordinary shares less treasury shares (at period-end) (B)	Note 5.10	397	397	398
= (A) / (B) (in EUR)		58.85	56.60	53.18

KBC Group launched a share buyback program for the purpose of distributing the surplus capital from 11th August 2023 until 31st July 2024, for a maximum amount of 1.3 billion euros. At the end of September 2024, the total number of shares entitled to dividend reduced with 20 980 823 shares.

Return on allocated capital (ROAC) for a particular business unit

Gives an idea of the relative profitability of a business unit, more specifically the ratio of the net result to the capital allocated to the business unit.

Calculation (in millions of EUR or %)	Reference	1H 2025	2024	1H 2024
BELGIUM BUSINESS UNIT				
Result after tax (including minority interests) of the business unit (A)	Note 2.2: Results by segment	888	1 846	761
/				
The average amount of capital allocated to the business unit is based on the risk-weighted assets for the banking activities (CRR/CRD) and risk-weighted asset equivalents for the insurance activities (under Solvency II) (B)		9 553	8 832	8 634
= (A) annualised / (B)		18.6%	20.9%	17.6%
CZECH REPUBLIC BUSINESS UNIT				
Result after tax (including minority interests) of the business unit (A)	Note 2.2: Results by segment	447	858	441
/				
The average amount of capital allocated to the business unit is based on the risk-weighted assets for the banking activities (CRR/CRD) and risk-weighted asset equivalents for the insurance activities (under Solvency II) (B)		2 396	2 133	2 100
= (A) annualised / (B)		37.4%	40.3%	42.0%
INTERNATIONAL MARKETS BUSINESS UNIT				
Result after tax (including minority interests) of the business unit (A)	Note 2.2: Results by segment	372	751	370
/				
The average amount of capital allocated to the business unit is based on the risk-weighted assets for the banking activities (CRR/CRD) and risk-weighted asset equivalents for the insurance activities (under Solvency II) (B)		2 797	2 710	2 700
= (A) annualised / (B)		26.6%	27.7%	27.4%

Return on equity

Gives an idea of the relative profitability of the group, more specifically the ratio of the net result to equity.

Calculation (in millions of EUR or %)	Reference	1H 2025	2024	1H 2024
Result after tax, attributable to equity holders of the parent (A)	'Consolidated income statement'	1 564	3 415	1 431
+				
Coupon on the additional tier-1 instruments included in equity (B)	'Consolidated statement of changes in equity'	- 49	- 84	- 45
/				
Average parent shareholders' equity (C)	'Consolidated statement of changes in equity'	22 893	22 228	21 597
= (A+B) (annualised) / (C)		13.2%	15.0%	12.8%

In 1H 2025, the return on equity amounts to 15% when including evenly spreading of the bank taxes throughout the year and excluding one-offs.

Sales Life (insurance)

Total sales of life insurance compromise new business of guaranteed interest contracts, unit-linked investment contracts and hybrid contracts.

Calculation (in millions of EUR or %)	Reference	1H 2025	2024	1H 2024
Guaranteed Interest products		632	1 219	483
+				
Unit-Linked products		900	1 490	822
+				
Hybrid products		136	197	80
Total sales Life (A) + (B) + (C)		1 668	2 906	1 385

Solvency ratio (insurance)

Measures the solvency of the insurance business, as calculated under Solvency II.

A detailed calculation can be found under 'Solvency banking and insurance activities separately' section.

Total assets under management

Total assets under management (AuM) consist of direct client money (Assets under Distribution towards retail, private banking and institutional clients), KBC Group assets (incl. pension fund), fund-of-funds assets and investment advice. Total AuM comprise assets managed by the group's various asset management companies (KBC Asset Management, ČSOB Asset Management, etc.), as well as assets under advisory management at KBC Bank. The size and development of total AuM are major factors behind net fee and commission income (generating entry and management fees) and hence determine a large part of any change in this income line.

Calculation (in billions of EUR or quantity)	Reference	1H 2025	2024	1H 2024
Belgium Business Unit (A)	Company presentation on www.kbc.com	248	245	234
+				
Czech Republic Business Unit (B)	Company presentation on www.kbc.com	21	19	18
+				
International Markets Business Unit (C)	Company presentation on www.kbc.com	12	11	10
(A)+(B)+(C)		280	276	262